Transport Canada Transports Canada

# TRANSPORT CANADA

## Departmental Performance Report

2010-2011

Canada

# Transport Canada

## 2010-2011

# Departmental Performance Report

The Honourable Denis Lebel, P.C., M.P.
Minister of Transport, Infrastructure and Communities

TABLE OF CONTENTS

SECTION I: DEPARTMENTAL OVERVIEW ..... 7

1.1 ORGANIZATIONAL OVERVIEW ..... 7

1.1.1 Raison d'être ..... 7

1.1.2 Responsibilities ..... 7

1.2 SUMMARY OF PERFORMANCE ..... 8

1.2.1 Financial Resources ..... 8

1.2.2 Human Resources ..... 8

1.3 STRATEGIC OUTCOMES AND PROGRAM ACTIVITY ARCHITECTURE ..... 9

1.4 CONTRIBUTION OF PRIORITIES TO STRATEGIC OUTCOMES ..... 12

1.5 RISK ANALYSIS ..... 19

1.6 SUMMARY PERFORMANCE TABLES BY STRATEGIC OUTCOME AND INTERNAL SERVICES ..... 21

1.7 EXPENDITURE PROFILE ..... 26

1.7.1 Departmental Spending Trend ..... 26

1.7.2 Voted and Statutory Items ..... 27

SECTION II: ANALYSIS OF PROGRAM ACTIVITY PERFORMANCE BY STRATEGIC OUTCOME ..... 28

2.1 STRATEGIC OUTCOME: AN EFFICIENT TRANSPORTATION SYSTEM ..... 29

2.1.1 Program Activity: Transportation Marketplace Frameworks ..... 29

2.1.2 Program Activity: Gateways and Corridors ..... 30

2.1.3 Program Activity: Transportation Infrastructure ..... 32

2.1.4 Program Activity: Transportation Innovation ..... 34

2.2 STRATEGIC OUTCOME: A CLEAN TRANSPORTATION SYSTEM ..... 36

2.2.1 Program Activity: Clean Air from Transportation ..... 36

2.2.2 Program Activity: Clean Water from Transportation ..... 38

2.2.3 Program Activity: Environmental Stewardship of Transportation ..... 39

2.3 STRATEGIC OUTCOME: A SAFE TRANSPORTATION SYSTEM ..... 40

2.3.1 Program Activity: Aviation Safety ..... 41

2.3.2 Program Activity: Marine Safety ..... 42

2.3.3 Program Activity: Rail Safety ..... 44

2.3.4 Program Activity: Road Safety ..... 46

2.3.5 Program Activity: Transportation of Dangerous Goods ..... 47
2.4 STRATEGIC OUTCOME: A SECURE TRANSPORTATION SYSTEM ..... 49
2.4.1 Program Activity: Aviation Security ..... 49
2.4.2 Program Activity: Marine Security ..... 51
2.4.3 Program Activity: Surface and Intermodal Security ..... 53
2.5 PROGRAM ACTIVITY: INTERNAL SERVICES ..... 54
SECTION III: SUPPLEMENTARY INFORMATION ..... 57
3.1 FINANCIAL HIGHLIGHTS ..... 57
3.2 SUPPLEMENTARY INFORMATION TABLES ..... 60
SECTION IV: OTHER ITEMS OF INTEREST ..... 61
4.1 RELEVANT WEBSITES ..... 61
4.2 ORGANIZATIONAL CONTACT INFORMATION ..... 64

# MINISTER'S MESSAGE

As Canada's Minister responsible for the Transport, Infrastructure and Communities Portfolio, I am pleased to present Transport Canada's *Departmental Performance Report* for 2010-2011.

Our transportation system has an impact on the lives of Canadians in ways that many may not realize. From the vehicles we drive to the waterways we enjoy; from the trains that carry the goods we buy at local stores to the airplane that flies us to a family reunion, Transport Canada supports a safe, secure, clean and efficient transportation system that Canadians can trust.

Canada's Economic Action Plan was key to making this country a world leader in the economic recovery following the global economic crisis. For its part, Transport Canada has invested in faster and more reliable passenger rail services, more efficient border crossings, safer bridges and highways, improved airport security and refurbished harbours for small craft. Transport Canada has also accelerated activities under the existing Federal Contaminated Sites Action Plan at the Fort Nelson Airport in British Columbia, and the Halifax Airport Fire Training Area, creating jobs and reducing risks to human health and the environment. From the Peace Bridge in Ontario to the Motor Vehicle Test Centre in Quebec to the Keewatin Railway in Manitoba, projects that matter to Canadians have been completed on time.

We have worked hard to maintain Canada's strong safety record by making our role in enforcing safety standards clear and by keeping our regulations current. We continue to be a world leader in the development of safety management systems.

Transport Canada has taken steps to keep Canadians safe and secure while travelling. The department worked with the Canadian Air Transport Security Authority to change airport screening procedures to increase passenger convenience and deliver a high level of security. We also continued to work with the United States and the International Civil Aviation Organization to strengthen air cargo security and help ensure the smooth flow of people and goods across borders.

We have adopted strategies that strengthen our international trade and supply chains through our gateways and trade corridors. The result is a more efficient, reliable and seamless trade-related transportation system in Canada. For example, the department continues to reach key milestones in the implementation of the Windsor-Detroit Crossing project, which is vital to Canada's prosperity.

Transport Canada actively contributes to the Government's Clean Air Agenda. The department completed, on schedule, two major initiatives that helped protect the environment, health and prosperity of Canadians. The ecoTECHNOLOGY for Vehicles and ecoFREIGHT programs helped introduce new clean transportation technologies that can lead to cleaner air for Canadians today and tomorrow.

Together, these initiatives improve our transportation system so that Canadians can continue to use it in their day-to-day lives with confidence.

I am proud of this department's achievements on behalf of Canadians.

The Honourable Denis Lebel, P.C., M.P.
Minister of Transport, Infrastructure
and Communities

## 1.1 ORGANIZATIONAL OVERVIEW

### 1.1.1 Raison d'être

Transportation is an essential element of social and economic prosperity. Transport Canada was established to ensure that an effective transportation system provides open market access for natural resources, agricultural products and manufactured goods, and provides support to service industries. A safe and secure system provides reliable and efficient movement of goods and people across the country and around the world. In an environmentally responsible way, it meets the challenges posed by topography and geography, linking communities and reducing the effects of the distance that separates people. These vital roles reflect transportation's interdependent relationships throughout all sectors of the economy and society.

| OUR VISION |
| --- |
| A transportation system in Canada that is recognized worldwide as safe, secure, efficient and environmentally responsible. |

The department's vision of a sustainable transportation system integrates and balances social, economic and environmental objectives. Our vision is guided by these principles:

- the highest possible safety and security of life and property, guided by performance-based standards and regulations when necessary;
- the efficient movement of people and goods to support economic prosperity and a sustainable quality of life, based on competitive markets and targeted use of regulation and government funding; and
- respect for the environmental legacy of future generations of Canadians, guided by environmental assessment and planning processes in transportation decisions and selective use of regulation and government funding.

### 1.1.2 Responsibilities

Transport Canada is responsible for the Government of Canada's transportation policies and programs. The department is responsible for developing regulations, policies and services under the legislative authority of Parliament. The department is required by the *Canada Transportation Act* to report on the state of the national transportation system. While not directly responsible for all aspects or modes of transportation, the department plays a leadership role to ensure that all parts of the transportation system across Canada work together effectively.

Transport Canada is part of the Transport, Infrastructure and Communities Portfolio that includes Transport Canada, Infrastructure Canada, shared governance organizations (e.g. the St. Lawrence Seaway Management Corporation), Crown corporations (e.g. the Great Lakes Pilotage Authority, Canada Post Corporation) and administrative tribunals/agencies (e.g. the Transportation Appeal Tribunal of Canada). Grouping these organizations into one portfolio allows for integrated decision making on transportation issues.

## 1.2 SUMMARY OF PERFORMANCE

In 2010-2011 Transport Canada made significant progress in ensuring the maintenance and improvement of the Canadian transportation system. Building upon our world-class transportation system, Transport Canada invested $73 million to improve and repair infrastructure, increase safety on Canada's railways and improve its laboratories and testing facilities, among other priorities. The department continued to implement safety management systems which provide for a strong Canadian safety culture. The Government of Canada also signed a number of international agreements regarding transportation safety and security over the past year.

Through Phase I of Canada's Economic Action Plan, announced in Budget 2009, the department continued to contribute to Canada's economic recovery. Through the Gateways and Border Crossings initiatives, we have seen infrastructure improvements across the country to enable the fast and efficient movement of goods into the world marketplace. These investments will strengthen Canada's long-term economic competitiveness. Improved infrastructure at airports, ports and railway crossings also provide an immediate and long lasting improvement to the wellbeing of Canadians and international travellers.

### 1.2.1 Financial Resources

To support its mandate, Transport Canada received and utilized the following resources:

**2010-2011 Financial Resources ($ millions)**

| Planned Spending | Total Authorities | Actual Spending |
|---|---|---|
| 1,883 | 1,958 | 1,288 |

Note: Variance explanations provided in Section 1.6 Summary Performance Tables by Strategic Outcomes and Internal Services

### 1.2.2 Human Resources

**2010-2011 Human Resources (Full-Time Equivalents)**

| Planned | Actual | Difference |
|---|---|---|
| 5,360 | 5,506 | 146 |

## 1.3 STRATEGIC OUTCOMES AND PROGRAM ACTIVITY ARCHITECTURE

In the 2010-2011 *Departmental Performance Report*, Transport Canada outlines its achieved results against cited objectives in its *2010-2011 Report on Plans and Priorities*. This aligns with the Government of Canada's *Policy on Management, Resources and Results Structures* that requires the department to collect, manage, and report financial and non-financial information on program objectives, performance and results.

Transport Canada fulfils its mandate, responsibilities and objectives through four strategic outcomes.

**Strategic Outcome 1: An efficient transportation system**

To promote an efficient transportation system, Transport Canada:

- establishes marketplace frameworks to govern the economic behaviour of transportation sector organizations (e.g. rules for arbitrating disputes between shippers and rail carriers);
- provides leadership for gateways and trade corridor strategies (e.g. Canada's Asia-Pacific Gateway and Corridor Initiative);
- provides stewardship for federal transportation assets;
- partners with provinces, territories, municipal governments and the private sector in transportation infrastructure projects; and
- promotes innovation (e.g. state-of-the-art intelligent transportation systems).

**DID YOU KNOW?**

There are ports in the Prairies. Regina's Global Transportation Hub and Winnipeg's Centre Port Canada are thriving inland ports that in part, are the result of federal funding for gateways and trade corridors.

**Strategic Outcome 2: A clean transportation system**

To promote a clean transportation system, Transport Canada:

- advances the federal government's Clean Air Agenda in the transportation sector and complements other federal programs designed to reduce air emissions to protect the health of Canadians and the environment for generations to come;
- protects the marine environment and the health of Canadians by reducing the pollution of water from transportation sources; and
- fulfils its responsibilities by working towards a cleaner and healthier environment with regard to its own operations.

**DID YOU KNOW?**

Transport Canada sent an aircraft and flight crews to the Gulf of Mexico to help monitor the extent of the crude oil spill following the Deepwater Horizon oil rig explosion.

**Strategic Outcome 3: A safe transportation system**

To promote a safe transportation system, Transport Canada:

- develops transportation safety regulations and oversees their implementation (e.g. safety at railway crossings);
- manages programs to:
  - support safety-related investments at small airports;
  - protect navigable waterways;
  - certify and license aircraft, vessels and road vehicles; and
  - provide air transport services that support aviation safety oversight work for federal and municipal clients (e.g. maintenance and operation of Canadian Coast Guard helicopters).

**DID YOU KNOW?**

Transport Canada has the most advanced motor vehicle crash test laboratory in North America. The department can conduct realistic moving vehicle collisions at various angles and at high speeds.

**Strategic Outcome 4: A secure transportation system**

To promote a secure transportation system, Transport Canada:

- develops policies and programs that respond to emerging security risks and keep Canada competitive (e.g. codes of practice for the rail and transit industry);
- develops and enforces transportation security regulations (e.g. standards for screening passengers at airports); and
- works with international and national partners towards a shared and effective transportation security agenda (e.g. standards for security plans at ports, harmonization of aviation security standards).

**DID YOU KNOW?**

The energy emitted from a full body scanner is 10,000 times less than the energy emitted from an average cell phone call.

You will find details about individual program activity achievements in Section II: Analysis of Program Activity Performance by Strategic Outcome.

**Program Activity Architecture**

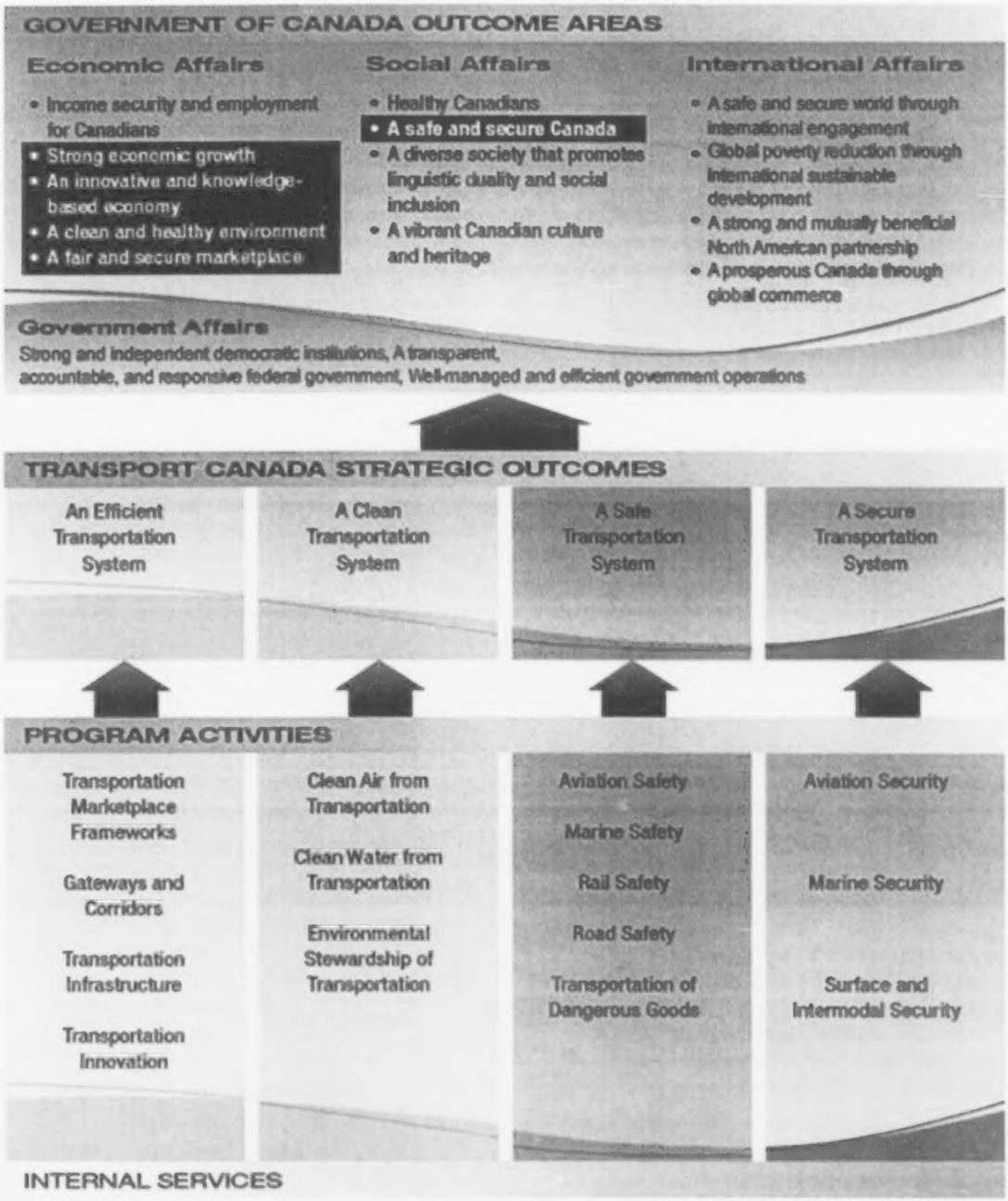
The Program Activity Architecture provides a standard basis for reporting to citizens and Parliament on the alignment of resources, program activities and results. Complementing its departmental performance management and reporting system, the Government of Canada has adopted a whole-of-government framework[1] for reporting to Parliament on progress made as a nation.

Figure 1 illustrates how Transport Canada's Program Activity Architecture contributes to the broader Government of Canada outcome areas of strong economic growth; an innovative and

[1] The purpose of this framework is to map the financial and non-financial contributions of federal organizations by aligning their program activities with a set of high-level outcome areas defined for the government as a whole.

knowledge-based economy; a clean and healthy environment; a fair and secure marketplace; and a safe and secure Canada. It also includes all program activities that contribute to our four departmental strategic outcomes. The Internal Services program activity, as an enabling function, supports all four strategic outcomes.

**FIGURE 1: TRANSPORT CANADA PROGRAM ACTIVITY ARCHITECTURE**


GOVERNMENT OF CANADA OUTCOME AREAS
Economic Affairs
• Income security and employment for Canadians
• Strong economic growth
• An innovative and knowledge-based economy
• A clean and healthy environment
• A fair and secure marketplace
Social Affairs
• Healthy Canadians
• A safe and secure Canada
• A diverse society that promotes linguistic duality and social inclusion
• A vibrant Canadian culture and heritage
International Affairs
• A safe and secure world through international engagement
• Global poverty reduction through international sustainable development
• A strong and mutually beneficial North American partnership
• A prosperous Canada through global commerce
Government Affairs
Strong and independent democratic institutions, A transparent, accountable, and responsive federal government, Well-managed and efficient government operations
TRANSPORT CANADA STRATEGIC OUTCOMES
An Efficient Transportation System
A Clean Transportation System
A Safe Transportation System
A Secure Transportation System
PROGRAM ACTIVITIES
Transportation Marketplace Frameworks
Gateways and Corridors
Transportation Infrastructure
Transportation Innovation
Clean Air from Transportation
Clean Water from Transportation
Environmental Stewardship of Transportation
Aviation Safety
Marine Safety
Rail Safety
Road Safety
Transportation of Dangerous Goods
Aviation Security
Marine Security
Surface and Intermodal Security
INTERNAL SERVICES

## 1.4 CONTRIBUTION OF PRIORITIES TO STRATEGIC OUTCOMES

Transport Canada identified nine organizational priorities in its 2010-2011 *Report on Plans and Priorities*. These priorities addressed emerging and ongoing issues, which further strengthened the department's approach to integrated decision making. The priorities are as follows:

- improve the effectiveness of safety management systems implementation;
- strengthen aviation security for passengers, workers and air cargo;
- complete the delivery of Canada's Economic Action Plan to accelerate economic recovery;
- advance the implementation of the three gateway strategies (the Asia-Pacific Gateway and Corridor Initiative, the Continental Gateway and Trade Corridor Strategy, and the Atlantic Gateway and Trade Corridor Strategy) to support economic growth and competitiveness;
- continue to support the government's Clean Air Agenda;
- develop a departmental approach for continuous improvement in the design, management, and delivery of grants and contributions programs;
- position Transport Canada to contribute to the Government of Canada's initiatives to improve the federal regulatory system for major projects;
- strengthen the connection between people, resources and portfolio governance to deliver on the department's priorities and mandate; and
- continue to support the public service renewal priority with a focus on talent management and employee engagement.

Transport Canada's nine organizational priorities relate to one or more strategic outcomes. The department sets and/or revises priorities on an annual basis, informed by environmental scanning and corporate risks. It also aligns these priorities with Government of Canada commitments as stated in the Budget 2009 and the 2009 Speech from the Throne.

We have included the progress achieved for each priority in the following tables. First-time priorities are labelled as "new"; those committed to in the first or second fiscal year prior to this report are "previously committed to"; and older commitments are identified as "ongoing".

| Performance Status Legend | |
|---|---|
| **Status** | **Definition** |
| **Exceeded** | More than 100 percent of the expected level of performance for the priority identified in the corresponding *Report on Plans and Priorities* was achieved during the fiscal year. |
| **Met All** | One hundred percent of the expected level of performance for the priority identified in the corresponding *Report on Plans and Priorities* was achieved during the fiscal year. |
| **Mostly Met** | Eighty to 99 percent of the expected level of performance for the priority identified in the corresponding *Report on Plans and Priorities* was achieved during the fiscal year. |
| **Somewhat Met** | Sixty to 79 percent of the expected level of performance for the priority identified in the corresponding *Report on Plans and Priorities* was achieved during the fiscal year. |
| **Not Met** | Less than 60 percent of the expected level of performance for the priority identified in the corresponding *Report on Plans and Priorities* was achieved during the fiscal year. |
| **In Progress** | The indicator was under review during the 2010-2011fiscal year; therefore performance data is not available at the time of this report. |

| Priority | Type | Status | Linkages to Strategic Outcome(s) |
|---|---|---|---|
| **Improve the effectiveness of safety management systems implementation.** | Ongoing | Mostly Met | To promote a safe transportation system |

Summary of Accomplishments

- Conducted a review of the safety management systems regulations, which included consultations on implementation. This review identified several opportunities for improvement, resulting in the development of new training for inspectors in their role as auditors of safety management systems.
- Established the Inspectorate Advisory Board to the Deputy Minister to explore weaknesses in the implementation of safety management systems and monitor efforts to close identified gaps.
- Public consultations were held on a regulatory proposal to apply safety management systems regulations to the Canadian domestic fleet not subject to the *International Convention for the Safety of Life at Sea (SOLAS), 1974*.[2]
- Larger airports completed their final phase of safety management systems implementation while smaller airports are in the fourth and final phase of implementation. NAV Canada, the Canadian air navigation service provider, also completed all four phases of aviation safety management systems implementation.

Work in Progress

- A review of the *Railway Safety Management System Regulations* will be considered pending completion of other regulatory priorities, including those resulting from the passage of proposed amendments to the *Railway Safety Act*.
- Continue to clarify the department's roles and responsibilities in carrying out its oversight duties for implementing safety management systems. The Inspectorate Advisory Board to the Deputy Minister will make recommendations to address gaps in inspector training.
- Implementation of aviation safety management systems for small air operator certificate holders is being delayed to provide additional time to refine procedures, training and guidance material, based on the feedback received by inspectors and industry stakeholders.

| Priority | Type | Status | Linkages to Strategic Outcome(s) |
|---|---|---|---|
| **Strengthen aviation security for passengers, workers and air cargo.** | Previously Committed to | Met All | To promote a secure transportation system |

Summary of Accomplishments

- The Government of Canada completed a review of the Canadian Air Transport Security Authority. The results, announced in February 2011, included recommended changes to airport screening that will increase convenience for the travelling public while maintaining a consistently high level of security.
- The Government of Canada committed to examining the effectiveness of passenger behaviour observation. The Canadian Air Transport Security Authority developed a program that it

[2] The *International Convention for the Safety of Life at Sea (SOLAS), 1974* was adopted by the International Maritime Organization and applies to vessels of 500 gross tonnage or more travelling in international waters.

began to pilot in January 2011.

- The Air Cargo Security program has transitioned from a voluntary pilot project to a regulated program as a way to further enhance the reliability and security of the aviation system.
- Transport Canada led the development of an International Civil Aviation Organization initiative to develop enhanced international standards and approaches that reduce the threat of an attack on commercial aviation related to air cargo.
- In February 2011, Transport Canada published a notice of intent to reorganize and streamline the Canadian Aviation Security Regulations in the Canada Gazette, Part I.

| Priority | Type | Status | Linkages to Strategic Outcome(s) |
|---|---|---|---|
| **Complete the delivery of the Economic Action Plan to accelerate the economic recovery.** | New | Mostly Met | All Strategic Outcomes |

Summary of Accomplishments

- Completed the majority of the department's projects under Canada's Economic Action Plan on time and on budget. These projects included investments in safer, faster and more reliable passenger rail services; improved airport security; safer and more efficient bridges; improved facilities to ensure motor vehicles are safe; more efficient border crossings; and increased protection of the health of Canadians and the environment by the assessment and cleaning of federal contaminated sites.

Work in Progess

- Progress continues on rail safety projects to be implemented over five years. Some delays occurred due to human resources challenges and delays in amending the *Railway Safety Act*.
- VIA Rail continues to make progress on projects that will help modernize passenger rail services in Canada through improvements to passenger rail infrastructure, locomotives, cars, stations and related facilities, and is on schedule to complete the work in 2011-2012.

| Priority | Type | Status | Linkages to Strategic Outcome(s) |
|---|---|---|---|
| **Advance the implementation of the three gateway strategies (the Asia-Pacific Gateway and Corridor Initiative, the Continental Gateway and Trade Corridor Strategy, and the Atlantic Gateway and Trade Corridor Strategy), including the new bridge crossing for Windsor-Detroit to support economic growth and competitiveness.** | Ongoing | Mostly Met | To promote an efficient transportation system |

Summary of Accomplishments

- Strengthened international partnerships under the Asia-Pacific Gateway and Corridor Initiative and signed two agreements which includes six multimodal infrastructure projects in Western Canada, of which four began construction in 2010-2011.
- Under the Gateways and Border Crossings Fund, 16 new infrastructure commitments were

made to improve the efficiency of the national transportation system.

- Announced the Atlantic Gateway and Trade Corridor Strategy on March 23, 2011.
- The value-added gateway policy approach delivered on two priority initiatives with the completion of focused outreach workshops and awareness sessions across the country on Canada's trade and tax advantages, and the announcement of the waiver of the 25-per-cent duty on the import of all general cargo vessels and tankers, as well as ferries longer than 129 metres.
- Most of the properties needed for the Windsor-Detroit International Crossing's Canadian border inspection plaza and the bridge have been acquired. The environmental mitigation plan has advanced. The Government of Canada has informed the State of Michigan that Canada is prepared to increase its financial participation in the new Windsor-Detroit border crossing, up to a maximum of US$550 million. This is not a loan, but increased equity into the project. The US$550 million will cover project components in Michigan that would not be funded by the private sector or the United States Government. The Government of Canada would expect repayment from the anticipated toll revenues to be generated from the operation of the new bridge.

Work in Progess

- Work is underway with the governments of Ontario and Quebec, as well as with the private sector, to finalize the Continental Gateway and Trade Corridor Strategy.
- Value-added gateway initiatives will continue to address complex issues that impact Canada's attractiveness as a destination for foreign investment and trade activities.
- Progress is being made to build international partnerships in Asia, Europe and Latin America through engagement and trade missions that align with Canada's global commerce strategy and ongoing trade negotiations.

| Priority | Type | Status | Linkages to Strategic Outcome(s) |
|---|---|---|---|
| **Continue to support the government's Clean Air Agenda.** | Previously Committed to | Mostly Met | To promote a clean transportation system |

Summary of Accomplishments

- Work continued on proposed locomotive emissions regulations for criteria air contaminants under the *Railway Safety Act* that will be aligned with U.S. regulations. Transport Canada held a number of preliminary stakeholder consultations and information sessions.
- The department contributed to work by the International Civil Aviation Organization that led to the new *Assembly Resolution on International Aviation and Climate Change* for emissions, adopted by over 190 member states in October 2010. Active engagement with the Committee on Aviation Environmental Protection continued through:
  - participation in the Steering Group; the Working Group tasked with developing a new $CO_2$ standard for airplanes; and the support group responsible for the economic analysis of the eventual proposal; and
  - The lead role in developing a new International Civil Aviation Organization manual to reduce $CO_2$ and other emissions from aircraft operations.
- Contributed to the development of international standards and recommended practices at the International Maritime Organization to address greenhouse gas and air pollutant emissions from marine shipping sources through regulation, technical measures and market-based measures. Technical standards to reduce greenhouse gas emissions from ships are expected to be adopted by the International Maritime Organization in 2011.
- The ecoTECHNOLOGY for Vehicles Program and the ecoFREIGHT Program ended in 2010-2011 as planned, having provided important support for the introduction of new clean

transportation technologies.

Work in Progress

- The department continues to advance the development of air emissions regulations for vessels operating in the North American Emission Control Area and for vessels operating in the Great Lakes and St. Lawrence Seaway System, to be implemented August 2012. A regional working group was established to develop a program to regulate smaller marine diesel engines on vessels operating on coasts and inland waters.
- The Marine Shore Power Program and the ecoMOBILITY Program will be concluded as planned by March 31, 2012.

| Priority | Type | Status | Linkages to Strategic Outcome(s) |
|---|---|---|---|
| **Develop a departmental approach for the continuous improvement in the design, management and delivery of grants and contributions programs.** | New | Mostly Met | All Strategic Outcomes |

Summary of Accomplishments

- Reviewed the department's approach to grants and contributions programs, and implemented a department-wide process to improve how they are designed and delivered. This process produced numerous new tools, such as:
  - the new Program Excellence Advisory Committee comprised of senior departmental officials to provide strategic advice on best practices to design, implement and deliver programs;
  - new program management approaches, including program and recipient project risk assessment tools that will reduce the administrative burden within the department and on low-risk recipients; and
  - a departmental training program to ensure employees understand the essentials of program design and delivery.

Work in Progess

- Continue to advance the establishment of the Centre of Expertise on Transfer Payments to work with program managers to integrate new approaches and tools into program operations.
- Continue to integrate the Program Excellence Advisory Committee into the department's governance structure to ensure alignment with the department's policies and Performance Measurement Framework.
- Complete employee training in managing transfer payment programs and provide support to practitioners to enhance their knowledge and understanding of best practices and lessons learned.

| Priority | Type | Status | Linkages to Strategic Outcome(s) |
|---|---|---|---|
| **Position Transport Canada to contribute to the Government of Canada's initiatives to improve the federal regulatory system for major projects.** | New | Exceeded | To promote a clean transportation system |

Summary of Accomplishments

- Assisted in the development government-wide procedures, guidance and project agreements to govern the environmental assessments, aboriginal consultations and regulatory reviews regarding the 71 major resource projects being coordinated through the Major Projects Management Office.
- Successfully met departmental service commitments related to the environmental assessment and regulatory phases of the Major Projects Management Office's major resource projects and, in some cases, exceed targets for overall project review timelines.
- Contributed to the Government of Canada initiatives through the *Exclusion List Regulations* made permanent in the *Canadian Environmental Assessment Act* through the March 2010 *Jobs and Economic Growth Act*.
- Identified and began implementing a range of regulatory and administrative actions to improve the timeliness and predictability of the department's regulatory review process.

| Priority | Type | Status | Linkages to Strategic Outcome(s) |
|---|---|---|---|
| **Strengthen our connection of people, resources and portfolio governance to deliver on priorities and mandate, and streamline administrative processes.** | Previously Committed to | Mostly Met | All Strategic Outcomes |

Summary of Accomplishments

- Transport Canada developed and adopted a new executive committee structure that is aligned with the department's Program Activity Architecture and strategic outcomes. This structure provides a model of management that is integrated with a strategic decision-making process. It sets out the roles, responsibilities and accountabilities for achieving results while maintaining the department's current organizational structure and the accountabilities for the financial, people management and work environment aspects of program delivery.
- Through the Working Better at Transport Canada initiative, the department prepared a strategy to pursue more effective and efficient internal processes that reduce the administrative burden. More than 150 suggestions were received from employees and assessed by an evaluation committee.
- Implemented a number of initiatives to improve information sharing and collaboration internally and between the department and its Crown corporations.
- The department worked with Crown corporations in developing and carrying out decisions related to their strategic reviews.

Work in Progress

- Continue to implement recommendations for improving portfolio governance in 2011-2012.
- Continue to implement the Working Better initiative by selecting and implementing a number of employee suggested projects to reduce the "web of rules" at Transport Canada.

| Priority | Type | Status | Linkages to Strategic Outcome(s) |
|---|---|---|---|
| **Continue to support the public service renewal priority with a focus on talent management and employee engagement.** | Previously Committed to | Mostly Met | Internal Services |

Summary of Accomplishments

- Integrated the Executive Talent Management Program with the Executive Performance Management Program.
- Renewed the Transport Canada Employee Performance Management Program, replacing a policy that dated back to 1991.
- Developed the StrategYX action plan based on an online employee engagement survey conducted in the fall of 2010,[3] national workshops, and online Idea Plaza suggestions to inform decision-making on how to recruit and retain next generation employees at Transport Canada.
- Completed a number of Recruitment and Development programs that can now be used to support capacity building, knowledge transfer and employee engagement.

Work in Progress

- The renewal of the Employee Performance Management Program is almost complete. New tools are being developed to foster renewal by encouraging ongoing dialogue between employees and supervisors on contributions, performance, and expected and actual results.
- The department is developing an implementation plan address the StrategYX action plan recommendations.

[3] The survey was conducted by StrategYX, a team established in 2009 to provide senior management with strategic advice on how to engage young and new employees within Transport Canada.

## 1.5 RISK ANALYSIS

Transportation is a part of all social and economic activities. It provides market access to natural resources, agricultural products and manufactured goods, provides support to service industries and links communities. Canada's multi-modal transportation network includes 38,000 kilometres (km) of important national and regional highways, 21 million registered vehicles, 243,000 km of shoreline, over 49,000 ships, 30,000 aircrafts and 45,000 km of rail. In addition to the inherent risks due to its breadth, risks are introduced into the transportation system by its complex structure, including multiple jurisdictions of government interacting with private-sector stakeholders and consumers. These complexities, as well as changes to the department's role as a more policy- and partnership-based organization, require Transport Canada to effectively manage risk as it pursues its strategic outcomes.

### Risk Analysis Approach

Transport Canada has implemented a strong risk management governance structure outlined in its new Integrated Risk Management Policy that aims to promote the systematic integration of risk management practices to respond to unforeseen events and risks that have been identified in its Corporate Risk Profile.

It has improved the sharing of risk information between strategic, operations, program and project levels through the creation of a Departmental Risk Management Working Group that has representation from all groups and regions. This venue also serves to review, contribute to and promote department-wide integrated risk management initiatives. Further, a Centre of Expertise in Risk Management has been established to provide ongoing support to management and employees in promoting a consistent approach to risk identification, assessment and response.

### Key Risk Areas

Through an environmental scan and department-wide consultations, four key risk areas have been identified and assessed in terms of probability and potential impact on the department and reported in the department's Corporate Risk Profile. The four key risk areas are transportation system efficiency, oversight effectiveness and efficiency, security threat/incident response capability and change management. For each of these key risk areas, Transport Canada has developed risk responses that will be implemented over the next few years.

1. Security/Incident Response Capability

As Canada remains a potential target of terrorists, Transport Canada continues to develop and implement security mitigation strategies. We have adopted a proactive approach that engages relevant internal and external partners and stakeholders while dealing with emerging threats to maintain the safety and security of Canada's transportation system. For example, Budget 2010 provided the Canadian Air Transport Security Authority and Transport Canada with $1.5 billion over the next five years to strengthen the domestic air transportation system against terrorist attacks and enhance the protection of air travellers. Budget 2010 also provided $95.7 million for the Air Cargo Security program to further enhance preventative and detective measures to deal with emerging threats. This year, Transport Canada had to respond to the discovery of suspicious packages aboard two planes in transit to the United States on October 29, 2010. In response to this event, a threat and risk assessment was immediately conducted in cooperation with other government departments. The results of the threat and risk assessment led to the expansion of the Air Cargo Security program to include in-bound air cargo and a re-profiling of 7% of Aviation Security's budget. The expansion of the Air Cargo Security program also resulted in the delay

and/or cancellation of lower priority activities as well as staffing and contracting actions in order to make the adjustments.

2. Oversight Effectiveness and Efficiency

In a complex environment that includes multiple jurisdictions, growing traffic, competing environmental and economic demands, rapidly evolving technologies and the constant threat of terrorism, it is becoming increasingly challenging to ensure that Transport Canada is well positioned for the oversight of the national transportation system. In response to this risk, the department is reviewing the regulatory framework to ensure it remains current and efficient and that its inspectors and policy makers have the necessary tools and skills development to fulfill their role.

3. Change Management/Managing Transition

The effective management of change, and the pace of change, contributes to Transport Canada's ability to achieve its strategic outcomes. A key response to this risk is building synergy and cohesion between new governance structures and current functional and regional practices while enabling results-based management. The department has been working on the development of its Integrated Business Plan to better support the achievement of its priorities and strategic outcomes and in strengthening its risk management practices to contribute to its overall performance.

4. Transportation System Efficiency

To ensure that Canada's transportation network continues to meet the needs of Canadians, the Government of Canada and its partners have made significant investments in transportation infrastructure through strategic gateways and trade corridors and through the Economic Action Plan. Transport Canada continued to take a robust risk management approach to monitoring the delivery of supporting initiatives. Quarterly progress reports are made to the Transport Executive Committee and Departmental Audit Committee, providing risk-based information for timely adjustments to achieve the objectives of Canada's Economic Action Plan. Further, through its Program Excellence initiative, the department improved the integration of sound risk information when delivering all grants and contribution programs by developing the Transfer Payment Integrated Risk Management Framework, the Project and Recipient Risk Assessment Tool and the risk-based recipient auditing strategy. This initiative reduces the administrative burden within the department and on low-risk recipients.

## 1.6 SUMMARY PERFORMANCE TABLES BY STRATEGIC OUTCOME AND INTERNAL SERVICES

| Strategic Outcome 1: An Efficient Transportation System | | |
|---|---|---|
| **Performance Indicators** | **Targets** | **2010-2011 Performance** |
| Level of productivity of transportation sector | Increase by 2.5 percent to 5 percent relative to 2009 baseline (Productivity Index >113 in 2014) | Most recent figures are from the 2009 calendar year. The productivity of the transportation business sector decreased by 6.2 percent (for-hire trucking was not included, as figures are being updated). This was primarily due to decreased demand caused by the economic recession. Carriers did not adjust inputs enough to offset the decline in output. |
| Cost level in the transportation sector | Growth in unit costs does not exceed 11 percent over a five-year horizon relative to the 2009 baseline (Cost Index < 111 in 2014) | Unit costs, for the same subset, decreased by 0.5 percent. The reduction was due to much lower fuel prices in 2009 than 2008, but increases in other input prices moderated the overall unit cost decrease. |

| **Program Activity** | **Actual Spending ($ millions) 2009-2010** | **Planned Spending ($ millions) 2010-2011** | | | | |
|---|---|---|---|---|---|---|
| | | **Main Estimates** | **Planned Spending** | **Total Authorities** | **Actual Spending** | **Alignment with Government of Canada Outcomes** |
| Transportation Marketplace Frameworks | 11 | 9 | 9 | 11 | 10 | A fair and secure marketplace |
| Gateways and Corridors | 156 | 812 | 812 | 805 | 243 | Strong economic growth |
| Transportation Infrastructure | 46 | 297 | 310 | 322 | 282 | Strong economic growth |
| Transportation Innovation | 7 | 14 | 14 | 16 | 11 | An innovative and knowledge-based economy |
| **Total*** | **220** | **1,132** | **1,146** | **1,154** | **546** | |

*Due to rounding, columns may not add to the totals shown.

**Information on Variances (between Total Authorities and Actual Spending) at the Program Activity Level**

**Transportation Marketplace Frameworks:** As a result of shifting priorities, work and resources originally planned for this program activity were undertaken by another program activity, Internal Services.

**Gateways and Corridors:** The variance of $562 million is partly due to delays in several projects under the Asia-Pacific Gateway and Corridor Initiative that account for $110.9 million of the variance. There were delays related to project design, approval and construction starts, as

well as the need to secure additional funding partners, finalize the contribution agreements and, ensure due diligence.

The remainder of the variance, $450M, can be attributed to delays under the Gateways and Border Crossings Fund, as some projects progressed more slowly than anticipated in 2010-2011. Many factors influenced these delays, including severe weather hampering construction, and unanticipated challenges in the design and regulatory approval processes. In addition, lower-than-expected construction costs resulted in lower spending for a few projects. Finally, for certain announced projects, business cases were not received when expected, which delayed the federal due diligence process. These funds have been or will be moved to future years for the completion of projects.

**Transportation Infrastructure:** The variance of $40 million is due, in part, to delays in projects resulting from extended negotiations, setbacks in construction caused by adverse weather conditions and/or prolonged environmental assessments. As a result, the department re-profiled $32 million to subsequent fiscal years to align with the recipients' cashflow needs. The remainder is related to the surplus from 2010-2011 due to various factors.

**Transportation Innovation:** A number of variables linked to developing and managing research partnerships contributed to the approximately $5-million variance for this program activity during 2010-2011. More than half the total, approximately $2.6 million, in Security and Prosperity Partnership funding was re-profiled due, in part, to delays in securing Treasury Board approval of the program's terms and conditions. Other factors include delays in reaching funding agreements with recipients, and research partners' focus on stimulus funding that left limited resources, both financial and personnel, to access the available Security and Prosperity Partnership funding.

| Strategic Outcome 2: A Clean Transportation System | | |
|---|---|---|
| **Performance Indicators** | **Targets** | **2010-2011 Performance** |
| Level of greenhouse gas emissions from the transportation sector measured in tonnes of $CO_2$ equivalent, pollutant emissions and discharges from the transportation sector | Greenhouse gas emission levels from the transportation sector consistent with Government of Canada targets | Transportation greenhouse gas emissions remained relatively unchanged in 2008 as compared to 2007 (around 171 mega tonnes of $CO_2$ equivalent in both 2008[4] and 2007). |
| Level of compliance with applicable laws, regulations and guidelines | Full compliance with applicable laws, regulations and guidelines | Transport Canada was in compliance with applicable environmental legislation, regulations and guidelines, and did not receive any contravention notices. |

| **Program Activity** | **Actual Spending ($ millions) 2009-2010** | **Planned Spending ($ millions) 2010-2011** | | | | |
|---|---|---|---|---|---|---|
| | | **Main Estimates** | **Planned Spending** | **Total Authorities** | **Actual Spending** | **Alignment with Government of Canada Outcomes** |
| Clean Air from Transportation | 19 | 23 | 23 | 19 | 17 | A clean and healthy environment |
| Clean Water from Transportation | 10 | 6 | 6 | 7 | 8 | A clean and healthy environment |

[4] Environment Canada, "Canada's Emissions Trends".

| | | | | | | |
|---|---|---|---|---|---|---|
| Environmental Stewardship | 38 | 70 | 70 | 59 | 40 | A clean and healthy environment |
| **Total*** | **67** | **99** | **99** | **85** | **65** | |

*Due to rounding, columns may not add to the totals shown.

**Information on Variances (between Total Authorities and Actual Spending) at the Program Activity Level**

**Clean Air from Transportation:** Some freight projects were delayed due to negotiation with proponents or re-scoped to reduce costs as a result of the economic downturn; lack of uptake of funding available to provinces under the National Harmonization Initiative for the Trucking Industry Program; the cancellation of funding rounds for the Moving on Sustainable Transportation program and the ecoMOBILITY Program; and staffing and project delays.

**Clean Water from Transportation:** The variance of $1 million is mainly due to Transport Canada's decision to continue the delivery of the National Aerial Surveillance Program.

**Environmental Stewardship of Transportation:** The variance of $19 million is due to a $7.4 million surplus of Federal Contaminated Sites Action Plan funding that was accelerated under Canada's Economic Action Plan. The surplus reflects more cost-effective remedial approaches and lower-than-expected tender prices. In addition, an $11.7 million surplus of funding not related to Canada's Economic Action Plan is due primarily to project delays. Additional investigative work was required before remediation could proceed.

| **Strategic Outcome 3: A Safe Transportation System** | | | | | | |
|---|---|---|---|---|---|---|
| **Performance Indicators** | | **Targets** | | **2010-2011 Performance** | | |
| Number/rate of accidents or fatalities by mode | | Maintain or improve accident/fatality rates by mode, based on each mode's strategic objectives | | Compared with the preceding five-year average, current accident/fatality rates were maintained or improved in aviation, marine, rail and road.<br><br>There was a 4-per-cent increase in reported accidents and there were zero deaths in the transportation of dangerous goods.<br><br>Additional information can be found in the *Transportation in Canada 2010* report. | | |
| Percentage of respondents to a national survey reporting confidence in the safety of the transportation system | | Maintain or improve public confidence in the safety of transportation, based on the strategic objectives of each mode | | No surveys were conducted in 2010-2011. This indicator is currently under review. | | |
| **Program Activity** | **Actual Spending ($ millions) 2009-2010** | **Planned Spending ($ millions) 2010-2011** | | | | |
| | | **Main Estimates** | **Planned Spending** | **Total Authorities** | **Actual Spending** | **Alignment with Government of Canada** |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | | | | | **Outcomes** |
| Aviation Safety | 231 | 240 | 240 | 253 | 211 | Safe and secure Canada |
| Marine Safety | 82 | 74 | 74 | 84 | 83 | Safe and secure Canada |
| Rail Safety | 37 | 36 | 36 | 34 | 31 | Safe and secure Canada |
| Road Safety | 30 | 40 | 40 | 42 | 42 | Safe and secure Canada |
| Transportation of Dangerous Goods | 14 | 14 | 14 | 14 | 14 | Safe and secure Canada |
| **Total*** | **394** | **405** | **405** | **428** | **381** | |

*Due to rounding, columns may not add to the totals shown.

**Information on Variances (between Total Authorities and Actual Spending) at the Program Activity Level**

**Aviation Safety:** The variance of $42 million is due to the delay in the approval of the Airports Capital Assistance Program; contracting delays related to capital projects; increased revenue related to Transport Canada's participation in the Louisiana Oil Spill Response Project; and staffing delays.

**Rail Safety:** The variance of $3.0 million is due to delays in completing Grade Crossing Improvement and Closure projects; staffing; and completing amendments to the *Railway Safety Act*.

| **Strategic Outcome 4: A Secure Transportation System** | | |
|---|---|---|
| **Performance Indicators** | **Targets** | **2010-2011 Performance** |
| Number of adjustments made to the Canadian Regulatory Framework to achieve international acceptance | Two adjustments or less to the Canadian Regulatory Framework to achieve international acceptance | Two adjustments were made to the Canadian Regulatory Framework to improve aviation security in the area of air cargo. |
| Percentage of Canadians reporting to confident in the security of the transportation system | Maintain or improve confidence in the security of the transportation system, based on the strategic objectives of each mode | No public confidence data for the security of the transportation system were gathered in 2010.<br><br>However, a Marine Industry Stakeholder survey was completed in 2010-2011 in which 93 percent of stakeholders agreed that a Marine Security program is needed in Canada. Stakeholders further agreed that their organizations were prepared to detect and prevent marine threats and incidents (79 percent), and to respond and recover (93 percent). |

| **Program Activity** | **Actual Spending ($ millions)** | **Planned Spending ($ millions) 2010-2011** | | | | |
|---|---|---|---|---|---|---|
| | | **Main Estimates** | **Planned Spending** | **Total Authorities** | **Actual Spending** | **Alignment with Govern-** |

| | 2009-2010 | | | | | ment of Canada Outcomes |
|---|---|---|---|---|---|---|
| Aviation Security | 71 | 29 | 29 | 49 | 43 | Safe and secure communities |
| Marine Security | 32 | 21 | 21 | 21 | 20 | Safe and secure communities |
| Surface and Intermodal Security | 12 | 6 | 7 | 7 | 7 | Safe and secure communities |
| **Total*** | **115** | **56** | **57** | **77** | **70** | |

*Due to rounding, columns may not add to the totals shown.

**Information on Variances (between Total Authorities and Actual Spending) at the Program Activity Level**

**Aviation Security:** The variance of $6.0 million is a result of postponing several activities (including regulatory consultations, airport security assessments, and two technology test beds) due to the need to respond to the discovery of suspicious packages aboard two planes in transit to the United States on October 29, 2010. Timelines and activities were adjusted to quickly respond to this incident in an effective and efficient manner to protect the security of Canadians.

**Marine Security:** The variance is related primarily to transfers to other departments that did not take place during Supplementary Estimates "C" — $120,000 in the Marine Security Coordination Fund and $442,000 for the Coastal Marine Security Operations Centre. The remaining amount relates to delays to the opening of the Great Lakes Marine Security Operations Centre because of staffing issues.

| Internal Services | | | | | | |
|---|---|---|---|---|---|---|
| **Performance Indicators** | | **Targets** | | **2010-2011 Performance** | | |
| Not applicable | | Not applicable | | Internal Services has no performance indicators to report on for the 2010-2011 reporting year. Indicator currently under development. | | |
| **Program Activity** | **Actual Spending ($ millions) 2009-2010** | **Planned Spending ($ millions) 2010-2011** | | | | |
| | | **Main Estimates** | **Planned Spending** | **Total Authorities** | **Actual Spending** | **Alignment with Government of Canada Outcomes** |
| Internal Services | 217 | 175 | 177 | 212 | 227 | |
| **Total*** | **217** | **175** | **177** | **212** | **227** | |

*Due to rounding, columns may not add to the totals shown.

**Information on Variances (Between Total Authorities and Actual Spending)**

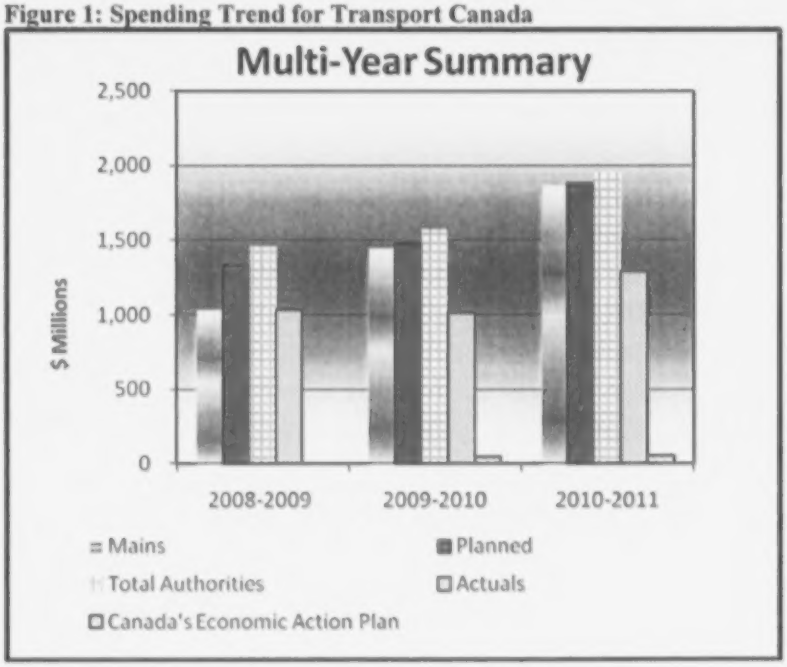
The variance is attributed to extraordinary salaries, such as maternity and severance pay, not being refunded in time from the Treasury Board because of Parliament's dissolution before the end of the fiscal year ($6.8 million). The balance of the surplus is due to internal reallocations within Transport Canada and realignments across strategic outcomes.

## 1.7 EXPENDITURE PROFILE

### 1.7.1 Departmental Spending Trend

Figure 1 shows Transport Canada's expenditures (planned, authorized and actual) from 2008-2009 to 2010-2011. The difference in actual spending, from $1,040 million in 2008-2009 to $1,288 million in 2010-2011, is due primarily to a change in the method of accounting for Airport Authorities lease payments. The change, however, does not impact the overall gross amount available to spend by the department.[5] The increase in actual spending is also attributed to major initiatives within the department over the same period, such as the Asia-Pacific Gateway and Corridor Initiative, and the Gateways and Border Crossings Fund. Although mostly in an upward trend over the past three years, there was a decrease in spending, due mainly to sunsetting of the ecoAUTO Rebate program.

**Figure 1: Spending Trend for Transport Canada**




[5] Airport Authorities lease payments were first deposited directly into the Consolidated Revenue Fund in 2010-2011, instead of being credited to vote-netting revenue. In compensation for this change, Transport Canada received a permanent increase to its reference level.

**Canada's Economic Action Plan**

The following table identifies the department's initiatives and funding under Canada's Economic Action Plan. Information on progress for these initiatives is found in Section II under each program activity.

**Spending on Canada's Economic Action Plan Initiatives**

| Initiative | Authorized Spending ($ millions) | | | | | |
|---|---|---|---|---|---|---|
| | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 | Total |
| Blue Water and Peace Bridges | 3.3 | 11.2 | | | | 14.5 |
| Remote Passenger Rail Services | 4.5 | 3.4 | | | | 7.9 |
| Accelerating Federal Contaminated Sites Action Plan | 13.0 | 35.5 | | | | 48.5 |
| Rail Safety Initiatives | 11.3 | 14.1 | 14.4 | 14.3 | 14.3 | 68.4 |
| Modernization of Federal Laboratories | 4.5 | 9.7 | | | | 14.2 |
| Security Plans | 2.7 | | | | | 2.7 |
| Air Cargo Security Program | 11.0 | | | | | 11.0 |
| Promoting Energy Development in Canada's North | 2.9 | | | | | 2.9 |
| **Total** | **53.2** | **73.9** | **14.4** | **14.3** | **14.3** | **170.0** |

*Based on original allocation as per Treasury Board. Includes Employee Benefits Plan.

Note: Due to rounding, column totals shown may not be exact. As with all financial information in the Departmental Performance Report, the figures exclude funding that does not come to the department (e.g. accommodation). Authorized spending is based on the original allocations as per the Treasury Board's decision.

### 1.7.2 Voted and Statutory Items

See the Public Accounts of Canada for 2010-2011 (Volume II) for information on Transport Canada's organizational votes and/or statutory expenditures.

## SECTION II: ANALYSIS OF PROGRAM ACTIVITY PERFORMANCE BY STRATEGIC OUTCOME

Transport Canada has four strategic outcomes that reflect the long-term and enduring benefits to Canadians that stem from its mandate and vision. As the department strives towards these outcomes, progress can be reported in relation to expected results,[6] performance indicators[7] and targets,[8] as set out in Transport Canada's Program Activity Architecture for 2010-2011.

The department uses qualitative and quantitative indicators, also called "performance measures," to determine the results achieved in terms of strategic outcomes and expected results. Using a systematic method to develop, communicate, monitor and report performance information provides a uniform foundation to achieve these outcomes. In an effort to better report on results of activities, and to demonstrate value to Canadians, the department will continue to strengthen performance indicators in its Performance Measurement Framework.

This section provides detailed analyses of the department's performance at the program activity level, by strategic outcome.

| **Performance Status Legend** | |
|---|---|
| **Status** | **Definition** |
| **Exceeded** | More than 100 percent of the expected level of performance (as evidenced by the indicator and target or planned activities and outputs) for the expected result identified in the corresponding *Report on Plans and Priorities* was achieved during the fiscal year. |
| **Met All** | One hundred percent of the expected level of performance (as evidenced by the indicator and target or planned activities and expected outputs) for the expected result identified in the corresponding *Report on Plans and Priorities* was achieved during the fiscal year. |
| **Mostly Met** | Eighty to 99 percent of the expected level of performance (as evidenced by the indicator and target or planned activities and expected outputs) for the expected result identified in the corresponding *Report on Plans and Priorities* was achieved during the fiscal year. |
| **Somewhat Met** | Sixty to 79 percent of the expected level of performance (as evidenced by the indicator and target or planned activities and outputs) for the expected result identified in the corresponding *Report on Plans and Priorities* was achieved during the fiscal year. |
| **Not Met** | Less than 60 percent of the expected level of performance (as evidenced by the indicator and target or planned activities and outputs) for the expected result identified in the corresponding *Report on Plans and Priorities* was achieved during the fiscal year. |
| **In Progress** | The indicator was under review during the 2010-2011 fiscal year; therefore performance data is not available at the time of this report. |

[6] An expected result is an outcome towards which Transport Canada is contributing through various activities in its Program Activity Architecture.
[7] A performance indicator is a statistic or parameter that, tracked over time, provides information on trends in the status of an activity.
[8] A target is a specific performance goal tied to a performance indicator against which actual performance will be compared.

## 2.1 STRATEGIC OUTCOME: AN EFFICIENT TRANSPORTATION SYSTEM

An Efficient Transportation System is supported by four organizational priorities and contributes to three Government of Canada outcomes: A Fair and Secure Marketplace, Strong Economic Growth, and An Innovative and Knowledge-based Economy.

The following provides a detailed analysis of performance against expected results, as committed to in the 2010-2011 *Report on Plans and Priorities*, for each of the four program activities that support this strategic outcome:

- 2.1.1 Transportation Marketplace Frameworks;
- 2.1.2 Gateways and Corridors;
- 2.1.3 Transportation Infrastructure; and
- 2.1.4 Transportation Innovation.

### 2.1.1 Program Activity: Transportation Marketplace Frameworks

**Description:** The Transportation Marketplace Frameworks program activity encourages transportation efficiency by fostering a competitive and viable transportation sector. Program activities include setting the regimes governing the economic behaviour of carriers in all modes of transportation; setting the rules of governance for all the transportation infrastructure providers falling under the authority of Parliament; monitoring the transportation system; and representing the interests of Canada in international transportation fora and other international bodies.

| 2010-2011 Financial Resources ($ millions) | | | 2010-2011 Human Resources Full-Time Equivalents (FTEs) | | |
|---|---|---|---|---|---|
| **Planned Spending** | **Total Authorities** | **Actual Spending** | **Planned** | **Actual** | **Difference** |
| 9 | 11 | 10 | 66 | 63 | 3 |

| 2010-2011 Performance | | |
|---|---|---|
| **Expected Results** | **Performance Indicators** | **Targets** |
| A competitive and financially viable transportation sector through effective transportation marketplace frameworks | Number of founded Canadian Transportation Agency competitiveness complaints | By 2011, a five-per-cent reduction in the number of founded Canadian Transportation Agency competitiveness complaints. |
| **Performance Status and Summary** | | |
| Unable to Assess. This indicator is under review. | | |

**Meeting Our Key Commitments**

In 2010-2011, under the Blue Sky International air policy, Canada concluded open skies agreements with Jamaica, Switzerland, Trinidad and Tobago, and Brazil, along with a first-time agreement with Qatar. Agreements with Egypt, Algeria and Japan were expanded. These new and expanded agreements allow air carriers to launch new services, enhancing convenience for travellers and shippers.

Domestic and international partnerships have been created to promote short sea shipping and mitigate barriers to its optimized use across the country and North America. Notably, working through the Trilateral Short Sea Shipping Working Group, Transport Canada, the U.S. and

Mexico are taking steps to address barriers that have been identified and to explore joint opportunities.

In March 2011, the government released the final report from the Rail Freight Service Review Panel, and announced its response to the Panel's recommendations. The government will proceed to implement a series of measures to enhance the effectiveness, efficiency and reliability of the entire rail freight supply chain. Transport Canada supports this process, with its first priority being to establish a facilitation process between stakeholders to negotiate a template service agreement and a streamlined commercial dispute resolution process.

Finally, Transport Canada continues to monitor the performance of Canada's transportation sectors, their viability, competitiveness and impact on the economy, using various data sources. In 2010:

- there was an increase from the previous year in marine cargo shipments along the St. Lawrence Seaway and at major Canada Port Authorities;
- air passenger levels rebounded strongly after a decline in 2009 — this is likely the result of an overall positive trend in the economy with increased purchasing and transportation activities; and
- a drop in tourism and business travel demand has led to a fall in rail ridership, as well as intense competition for customers throughout the industry. However, freight rail tonnage increased.

The Department also monitors the financial viability of Canada's largest airports on an annual basis. As private not-for-profit entities, Canadian airport authorities continue to adapt to the challenges posed by their varied stakeholder groups in ever-changing socio-economic environments.

**Lessons Learned**

Making the transportation sector more reliable, efficient and accessible supports both national and international trade and travel. It also provides Canadians with greater choice and convenience in their transportation services.

### 2.1.2 Program Activity: Gateways and Corridors

**Description:** Guided by the National Policy Framework for Strategic Gateways and Trade Corridors and Trade Corridors, the Gateways and Corridors program activity aims at supporting Canada's international trade and international supply chains by creating more efficient, reliable and seamless trade-related transport systems in Canada. The program activity sets strategies and frameworks for improving and integrating transportation networks in key regions; fosters partnerships between all levels of government and the private sector; supports and oversees projects that contribute to the increased capacity and efficiency of gateway and corridor infrastructure; develops and puts in place measures that remove impediments to the effective development of gateways and corridors; and promotes the use of gateways and corridors.

| 2010-2011 Financial Resources ($ millions) | | | 2010-2011 Human Resources (FTEs) | | |
|---|---|---|---|---|---|
| **Planned Spending** | **Total Authorities** | **Actual Spending** | **Planned** | **Actual** | **Difference** |
| 812 | 805 | 243 | 51 | 84 | 33 |
| **2010-2011 Performance** | | | | | |
| **Expected Results** | **Performance Indicators** | | **Targets** | | |

| | | |
|---|---|---|
| An enhanced level of trade through Canada's strategic gateways and trade corridors | Volume of trade | To be determined once a baseline trade projection is obtained from the Department of Foreign Affairs and International Trade or Trade Commission. |
| **Performance Status and Summary**<br><br>**Status:** In Progress<br><br>In 2010-2011, the Asia Pacific Gateway and Corridor Initiative increased the gateway's share of North America-bound container imports from Asia by 30 percent. Between 2009-2010 and 2010-2011, the value of Canada's international trade grew by 12.8 percent, nearly regaining pre-recession levels from 2008-2009. Assessing the impact of gateway project investments and other measures, on trade volumes and values is a long-term undertaking that the department can assess only when projects are complete and operational. | | |

**Meeting Our Key Commitments**

Most of the $2-billion Gateways and Border Crossings Fund has been committed. In 2010-2011 alone, we announced 16 infrastructure projects under this program. The government invested in the core National Highway System, major border crossings, as well as key marine ports and airports to make Canada's transportation network safer, more efficient and more secure for international trade and travel. Transport Canada continued to implement the Asia-Pacific Gateway and Corridor Initiative on a number of fronts. Canada's commitment to multimodal infrastructure projects in Western Canada led to the signing of two agreements covering six projects, four of which began construction in 2010-2011. Links and efficiency of trade between North American industrial centres and markets in Europe and Asia will improve due to initiatives such:

- The Atlantic Gateway and Trade Corridor Strategy announced on March 23, 2011.
- Under the Gateway and Border Crossings Fund, 13 new Atlantic gateway infrastructure projects (e.g. port, airport, highway and intelligent transportation systems projects) were announced in all four Atlantic Provinces. Investments in strategic short sea shipping infrastructure in Atlantic Canada were also announced. These investments should help overcome cost barriers to expanded use of short sea shipping.
- The Saint John Harbour Bridge was rehabilitated.
- Construction projects continued at the Port of Halifax and New Brunswick Route 1.
- Work continued in partnership with the governments of Ontario and Quebec, and the private sector to finalize the Continental Gateway and Trade Corridor Strategy.
- Work continued on the Queenston-Lewiston International Bridge Plaza Improvement Project and the new Canada Border Services Agency facility.
- Work continued on multimodal infrastructure projects through the Asia-Pacific Gateway and Corridor Initiative, including the Pitt River Bridge and Mary Hill Interchange, Southern Railway of B.C. (Rail Barge Ramp, River Road Improvements) and Foley Crescent to CN Fraser River Bridge, among others.
- The government delivered on priority initiatives under the value-added gateway policy approach. This included the waiver of the 25-percent tariff on the import of marine vessels to reduce the costs to Canada's marine industry of replacing its fleet.

The Government of Canada has also strengthened international partnerships by signing the Memorandum of Understanding on Trade Logistics Cooperation and the Action Plan for Gateway Cooperation with the Government of China. Canada collaborated with international partners in establishing a new international organization, the Asia-Pacific Economic Cooperation Port Services Network, with headquarters in China.

Finally, work continues with the State of Michigan, the U.S. federal government and the Province of Ontario to advance the Windsor-Detroit Crossing project. Given the importance of this new crossing to the economic security and future prosperity of the U.S. and Canada, the Government of Canada sent a letter on April 29, 2010, to Michigan's former governor stating that it was prepared to offer to increase its financial participation up to a maximum of $550M U.S. This increased equity into the project will cover project components in Michigan that would not be funded by the private sector or the United States Government. The Government of Canada would expect repayment from the anticipated toll revenues to be generated from the operation of the new bridge.

**Lessons Learned**

Implementing major infrastructure programs in partnership with other levels of government and the private sector highlights the value of regular communication with stakeholders and the importance of clear federal requirements regarding streamlined processes. Large and complex infrastructure programs and projects take time to develop, particularly as strategies evolve. This should be reflected in program/project expectations.

**Canada's Economic Action Plan**

- All federal funding was delivered towards completing the Blue Water International Bridge project including adding new lanes, signage and improved lighting, and electrical systems. Canada's second-busiest commercial crossing with the United States is a critical economic and security link facilitating the efficient flow of goods and people between the two countries.
- The Peace Bridge project was completed by the March 31, 2011, deadline, increasing primary commercial vehicle customs processing capacity by 25 percent.

### 2.1.3 Program Activity: Transportation Infrastructure

**Description:** The Transportation Infrastructure program activity looks after transportation infrastructure for Canada to improve efficiency and ensure service. It acts as the steward of certain commercial transportation assets operated by third parties on behalf of the federal government (e.g. airport authorities, port authorities, federal bridges, VIA Rail, Seaway Marine Atlantic Inc.); provides funding for Canada's strategic transportation infrastructure, targeted to support federal objectives; supports essential services to some remote communities; manages legacy commitments; and divests assets and contracts out operations, where needed.

| **2010-2011 Financial Resources ($ millions)** | | | **2010-2011 Human Resources (FTEs)** | | |
|---|---|---|---|---|---|
| **Planned Spending** | **Total Authorities** | **Actual Spending** | **Planned** | **Actual** | **Difference** |
| 310 | 322 | 282 | 304 | 293 | 11 |
| **2010-2011 Performance** | | | | | |
| **Expected Results** | **Performance Indicators** | | **Targets** | | |
| Modern transportation system | Average age of transportation infrastructure | | Average age of highways and roads reduced by 0.5 years over five years. | | |
| | Value of road and highway assets | | Value of gross capital stock increased by 2 percent over five years, by 2014. | | |
| **Performance Status and Summary**<br><br>**Status:** Exceeded | | | | | |

From 2009-2010 the average age of transportation infrastructure decreased from 13.9 years to 13.4 years, a reduction of 0.5 years. The value of gross capital stock at the end of 2010 was $184.9 billion (2002 dollars), an increase of 3.6 percent from $178.5 billion in 2009 (2002 dollars).

**Meeting Our Key Commitments**

We made progress towards enhancing the sustainability of transportation infrastructure by:

- investing in revitalization strategies;
- reviewing governance partnerships;
- investing and delivering infrastructure projects to find possible efficiencies and cost savings; and
- developing real property management frameworks.

Marine Atlantic Inc.[9] replaced its two oldest vessels to improve service and meet increasing traffic demand to and from Newfoundland and Labrador. Over five years, $520.8 million will be spent to revitalize and renew its fleet and shore facilities at North Sydney, Nova Scotia, as well as at Port aux Basques and Argentia, Newfoundland and Labrador. Major shore-based projects were undertaken, such as the North Sydney alternate dock ramp.

Transport Canada completed a review to determine the feasibility of transferring Ridley Terminals Inc. to the Prince Rupert Port Authority. The government has also approved Ridley Terminals Inc.'s plans to increase the terminal's capacity, as well as plans to borrow from commercial lenders. Shippers will continue to receive reliable bulk marine terminal service to transport their products to international markets. In November 2010, the Government of Canada announced it would be investing an additional $44.7 million to support the Eastern Quebec and Atlantic Canada ferry services. VIA Rail Canada made significant progress in refurbishing passenger cars and locomotives, station upgrades and various infrastructure projects, all of which are supported through the Government of Canada's $516-million, five-year commitment made in 2007 to improve the sustainability and reliability of Canadian passenger rail services and $407 million from Canada's Economic Action Plan, announced in Budget 2009.

Phase 1 of developing the real property management framework for all Transport Canada-owned assets is ongoing, with extensive consultations underway.

The department also made progress in effectively managing federal investments in infrastructure. Transport Canada:

- examined long-term options for several federal bridges to ensure viability, and obtained additional funding for the operation, maintenance and urgent safety repairs for some domestic bridges;
- effectively managed the delivery of multiple projects under the Building Canada Fund, Border Infrastructure Fund and the Canada Strategic Infrastructure Fund (the department delivered these projects with its portfolio partner, Infrastructure Canada); and
- commissioned an independent assessment of transportation infrastructure needs in the North over the next 20 years to determine what incremental improvements could be made to achieve a transportation system that supports the government's vision for the North.

[9] Marine Atlantic Inc., a federal Crown corporation, delivers the only constitutional ferry service in Canada. The company also operates a non-constitutional, seasonal service from June to September between North Sydney, Nova Scotia, and Argentia, Newfoundland and Labrador.

**Lessons Learned**

It is important to involve other levels of government when developing transportation policies and programs that impact their jurisdictions in order to ensure that transportation needs are being addressed.

Increased communication and information exchange with project proponents, stakeholders and other federal delivery partners was required to ensure the successful delivery of projects that support and enhance the national transportation system. This will continue to be required to effectively forecast spending and manage infrastructure funds in the future.

**Canada's Economic Action Plan**

- The early stages of a major 10-year repair plan to strengthen many components of the Champlain Bridge, in Montreal, were completed on time and within budget by Jacques Cartier and Champlain Bridges Incorporated Limited. This project has an overall value of $212 million over 10 years and is expected to create 2,600 jobs during this time. This funding will ensure the safety of the Champlain Bridge.
- VIA Rail received an additional $407 million over a three-year period to help modernize passenger rail services in Canada by improving locomotives, passenger cars, passenger rail infrastructure, stations and related facilities. VIA Rail's largest stimulus project, involving the construction of a third mainline track between Toronto and Brockville in the Quebec City-Windsor corridor, has made significant progress and is nearing completion.
- The 2009 budget also allocated $7.9 million over a two-year period for the Regional and Remote Passenger Rail Services Class Contribution program to support new capital projects for two First Nations railways: Keewatin Railway in Manitoba and Tshiuetin Rail in Quebec, and Newfoundland and Labrador. This funding has allowed for the completion of rail line upgrades; the construction of a passenger waiting station; the procurement of a locomotive, passenger car and track maintenance equipment; and the construction of a locomotive repair facility, among other projects.

### 2.1.4 Program Activity: Transportation Innovation

**Description:** The Transportation Innovation program activity aims to make the Canadian transportation system more efficient and competitive. Working in partnership with stakeholders, the program aims to enhance the capacity of the transportation sector to research and implement innovative solutions to current and emerging transportation challenges. The program sets and implements policy and strategic direction for technology research, development and deployment, and develops and manages collaborative departmental research and development programs. This includes advancing and disseminating scientific knowledge and the application of transportation technologies; partnering and collaborating with other federal government departments, provinces and territories, the academic community and other national and international stakeholders; and supporting skills development and capacity building initiatives for a highly qualified transportation workforce.

| 2010-2011 Financial Resources ($ millions) | | | 2010-2011 Human Resources (FTEs) | | |
|---|---|---|---|---|---|
| **Planned Spending** | **Total Authorities** | **Actual Spending** | **Planned** | **Actual** | **Difference** |
| 14 | 16 | 11 | 47 | 27 | 20 |
| **2010-2011 Performance** | | | | | |

| Expected Results | Performance Indicators[10] | Targets |
|---|---|---|
| An innovative transportation system | Number of partnership projects with external stakeholders stimulating innovation — intelligent transportation systems projects. | Number to be set according to annual plan. |
| | Number of partnership projects with external stakeholders stimulating innovation, research and development (research and development) projects. | Number to be set according to annual plan. |

**Performance Status and Summary**

**Status:** In Progress

Twenty-five intelligent transportation systems projects involving external partners were initiated, are ongoing or were completed in 2010-2011, about 25 percent fewer than in 2009-2010. The variance reflects delays in approval of program terms and conditions, partners' focus on other infrastructure programs, and contracting and partnership issues that delayed the start of projects. A total of 83 research and development projects with external partners were funded in 2010-2011, approximately 30 percent more than in 2009-2010. The increase is mainly due to increased internal capacity to initiate and manage projects.

**Meeting Our Key Commitments**

Developing an innovation agenda for a large and complex sector of the economy requires a clear understanding of the current and future challenges facing all those with a stake in the system. In addition to ongoing consultations with stakeholders, a research project was undertaken to create an inventory of transportation and transportation-related research. Knowing what research is being conducted at Canadian institutions of higher learning will help identify our research strengths and weaknesses going forward.

The department cooperated internationally to improve the safety of our transportation system. In partnership with a leading industry-university research centre in the United States, the department undertook research to prevent injuries to children during motor vehicle crashes, which are the leading cause of death for all children over three years of age.

Transport Canada established the Network of Expertise in Northern Transportation Infrastructure Research in Permafrost Regions in 2010. The network creates close cooperation between Transport Canada and other federal government departments, territorial and provincial planners and practitioners, academia and private industry. The network represents the key activity of the Northern Transportation Research Initiative and serves as a tool to identify priority areas of innovation to be addressed. This includes preserving the northern transportation infrastructure in the face of harsh and changing climatic conditions.

Ongoing intelligent transportation systems projects included measuring border wait time data and delivering the information to cross-border travellers. Other projects were dedicated to developing information on congestion management, travel advisories and other types of traveller information to help improve efficiency. Collaboration continued with our major trading partners to harmonize our intelligent transportation systems approaches and technology, maximizing the efficiency and effectiveness of our shared border transportation infrastructures for the benefit of all.

[10] This indicator was modified within the reporting year to reflect new measures adopted for improved performance analysis.

**Lessons Learned**

In-depth knowledge of the business issues faced by the transportation sector is required to move forward with an innovation agenda. It also requires an understanding of the current state of innovation in the sector drawn from the most up-to-date data available, and of the research capacity that exists to support progress on innovation priorities. Acquiring and validating this information is an important step towards developing an innovation agenda for the sector.

The formation of research partnerships is an important tool for leveraging resources and ensuring the right focus for individual research and development projects. However, developing, coordinating and managing these projects, while ensuring necessary accountability structures are in place, presents a number of challenges. Administrative and contracting issues and obtaining necessary approvals can often cause delays in developing and delivering projects on time.

## 2.2 STRATEGIC OUTCOME: A CLEAN TRANSPORTATION SYSTEM

A Clean Transportation System is supported by four departmental priorities detailed in Section I of this report and contributes to the Government of Canada outcome of A Clean and Healthy Environment.

The following provides a detailed analysis of performance against expected results, as committed to in the 2010-2011 *Report on Plans and Priorities*, for each of these program activities in support of this strategic outcome:

2.2.1 Clean Air from Transportation;
2.2.2 Clean Water from Transportation; and
2.2.3 Environmental Stewardship of Transportation.

### 2.2.1 Program Activity: Clean Air from Transportation

**Description:** Transport Canada's Clean Air from Transportation program activity advances the federal government's Clean Air Agenda in the transportation sector and complements other federal programs designed to reduce air emissions for the health of Canadians and the environment for generations to come. The program regulates air emissions from the transportation sector; oversees Transport Canada's clean air program obligations and commitments; demonstrates and promotes clean transportation technologies; promotes environmentally responsible best practices and behaviours; and builds stakeholder knowledge and capacity to reduce air emissions.

| 2010-2011 Financial Resources ($ millions) | | | 2010-2011 Human Resources (FTEs) | | |
|---|---|---|---|---|---|
| **Planned Spending** | **Total Authorities** | **Actual Spending** | **Planned** | **Actual** | **Difference** |
| 23 | 19 | 17 | 86 | 87 | 1 |
| **2010-2011 Performance** | | | | | |
| **Expected Results** | **Performance Indicators** | | **Targets** | | |
| A transportation system that is less intensive in its emissions of greenhouse gases and air pollutants | Level of intensity of emissions from freight and passenger transportation, as measured in tonnes of $CO_2$ equivalent per passenger-kilometre (km) | | An intensity improvement that is consistent with targets established under the government's horizontal approach for clean air. | | |
| **Performance Status and Summary** | | | | | |

**Status:** In Progress
Data for 2010-2011 are not available at this time. Based on the most recent available data (2008), emission intensity in the passenger sector declined (from 143g of $CO_2e$/passenger-km in 2005 to 137g in 2008). This reflects increases in energy efficiency in all passenger modes. Within the freight sector, an increase in emission intensity (from 83g of $CO_2e$/tonne-km in 2005 to 91g in 2008) was noted.[11]

**Meeting Our Key Commitments**

The department continued to implement the Clean Air Agenda through regulatory and non-regulatory initiatives designed to reduce air emissions from transportation.

Work continued on proposed locomotive emissions regulations for criteria air contaminants under the *Railway Safety Act* that will be aligned with U.S. regulations. The department held a 75-day preliminary consultation period and hosted a series of six information sessions. It received a total of 16 formal written submissions from a range of interested stakeholders.

Transport Canada continued to develop new regulations under the *Canada Shipping Act, 2001* to implement new standards adopted by the International Maritime Organization for air pollutant emissions from ships, including the North American Emission Control Area. The department also began developing regulations aimed at reducing air emissions from vessels operating in the Great Lakes and St. Lawrence Seaway System. A regional working group was established to develop a program to regulate smaller marine diesel engines on vessels operating in coastal and inland waters.

In addition to the work noted in Section 1.4 under the priority to continue to support the government's Clean Air Agenda, Transport Canada continued to support the development of international standards and recommended practices through the International Civil Aviation Organization concerning air pollutant emissions from aviation sources. An increased nitrogen oxide stringency level for aircraft engines, adopted in March 2011, is one of the results of this work. Transport Canada also supported Canadian work on a measurement methodology for particulate matter from airplane engines.

Two of the ecoTRANSPORT Strategy programs were concluded as planned in 2010-2011, and the Marine Shore Power program and ecoMOBILITY program are on track to be completed as planned in 2011-2012. Since its inception, this strategy has co-financed 53 demonstration projects with municipalities, the freight industry and the marine sector, and conducted tests and evaluations on over 50 different advanced vehicle technologies to help reduce air emissions from the Canadian transportation system through the use of clean air transportation technology and practices.

Detailed ecoTRANSPORT Strategy program results are available in the Supplementary Information table and at www.tbs-sct.gc.ca/est-pre/index-eng.asp.

**Lessons Learned**

Working with stakeholders, and improving knowledge and analytical capacity are fundamental to developing policies, programs, regulations, codes and standards related to reducing greenhouse gas and air pollutant emissions from the transportation sector.

[11] Comprehensive Energy Use Database — Energy-Efficiency Trends Analysis (tables 1 and 8), Natural Resources Canada, 2011.

### 2.2.2 Program Activity: Clean Water from Transportation

**Description:** Guided by *Canada Shipping Act, 2001* the *Arctic Waters Pollution Prevention Act*, the *Marine Liability Act* and international conventions, the Clean Water from Transportation program activity helps protect the marine environment and the health of Canadians by reducing the pollution of water from transportation sources. The program regulates and monitors the impact of discharges from marine vessels into the marine environment; regulates ballast water; and contributes to setting domestic and international rules that govern limits to liability for marine pollution incidents.

| 2010-2011 Financial Resources ($ millions) | | | 2010-2011 Human Resources (FTEs) | | |
|---|---|---|---|---|---|
| **Planned Spending** | **Total Authorities** | **Actual Spending** | **Planned** | **Actual** | **Difference** |
| 6 | 7 | 8 | 15 | 14 | 1 |

| 2010-2011 Performance | | |
|---|---|---|
| **Expected Results** | **Performance Indicators** | **Targets** |
| Canadian waters protected from discharges of transportation pollutants | Number of ship-source pollution incidents and number of mystery spills detected per year | 2-per-cent reduction in ship-source pollution spills annually from the previous year, compared to the 2003-2004 baseline. |
| Transfer of alien aquatic species into domestic water through ship ballast water prevented | Percentage of ships in compliance with reporting rules for ballast water | 95-per-cent compliance by 2015 — subject to revision once baseline is established. |

**Performance Status and Summary**

**Status:** Mostly Met
The number of pollution sightings decreased by 22.9 percent from the previous year, with 13 percent identified as ship-source.

**Status:** Met
With respect to the percentage of ships in compliance with reporting rules for ballast water, there is 100-per-cent compliance in the Great Lakes and St. Lawrence Seaway System, and approximately 90 percent in coastal areas. Additionally, since the establishment in 2006 of a binational inspection program that ensures compliance by all vessels entering the Great Lakes from overseas, no new non-native species attributable to ship ballast have been reported in the Great Lakes, speaking to the effectiveness of the regulations. It should be noted that, due to the coming into force of the *International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004*, a review of this performance indicator will be undertaken.

**Meeting Our Key Commitments**

Under Transport Canada's lead, Canada ratified the *International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004* and the *International Convention on the Control of Harmful Anti-fouling Systems on Ships*. These conventions contain measures that will enhance protection of the environment from ships' pollution, and reduce the risk of introducing and spreading invasive species[12] in waters under Canadian jurisdiction. In December 2010,

[12] An "invasive species" is defined as a species that is non-native (or alien) to the ecosystem under consideration and whose introduction causes or is likely to cause economic or environmental harm or harm to human health.

Transport Canada published proposed *Ballast Water Regulations* to bring the current regulations under the regime of the Canada Shipping Act, 2001.

The department also implemented amendments to the Marine Liability Act. As a result, Canada ratified two international conventions adopted by the International Maritime Organization (the 2003 *Protocol on the Establishment of a Supplementary Fund for Oil Pollution Damage* that amends the *International Convention on the Establishment of an International Fund for Compensation for Oil Pollution Damage, 1992* and the *International Convention on Civil Liability for Bunker Oil Pollution Damage*), both of which came into force on January 2, 2010.

Work advanced on developing a national ship-source hazardous and noxious substance preparedness and response regime. The department also released a discussion paper and completed stakeholder consultations on a proposal to ratify the Protocol of 2010 to the *International Convention on Liability and Compensation for Damage in Connection with the carriage of Hazardous and Noxious Substances by Sea*. In addition, the department responded to the *2010 Fall Report of the Commissioner of the Environment and Sustainable Development*. Chapter 1 of the report dealt with oil spills from ships, and Transport Canada made progress on the recommendation to develop a marine cargo tracking system.

An additional 232 National Aerial Surveillance program patrol hours were flown (for a total of 2,506), an increase of 10 percent over the previous year. The increased effort demonstrated efficient targeting, with a comparative rise in the number of vessel overflights (12, 365 in 2010-2011). On May 1, 2010, Transport Canada deployed its Moncton based Dash 8 aircraft and flight crews to the Gulf of Mexico to help monitor the extent the crude oil spill following the Deepwater Horizon oil rig explosion. It was the primary aerial asset used to map the extent of the crude oil spill.

Three surveillance aircraft used by the National Aerial Surveillance program were upgraded to allow Transport Canada to gather evidence to prepare and pursue prosecutions, fines and pleas from marine polluters, enhancing the program's role as a significant deterrent to potential polluters.

**Lessons Learned**

Providing predictable regulations for international shipping helps Canada compete in global markets. Thus, work to streamline regulations with major partners in the global market is an important element of maintaining Canada's economic prosperity.

### 2.2.3 Program Activity: Environmental Stewardship of Transportation

**Description:** The Environmental Stewardship program activity fulfils Transport Canada's responsibilities in working towards a cleaner and healthier environment for Canadians, with regard to its own operations. These responsibilities include managing contaminated sites and fulfilling environmental responsibilities at Transport Canada-owned or -operated ports and airports. The program develops and implements policies and programs for Transport Canada activities that further environmental objectives and promote sustainable transportation; provides functional support for environmental assessments, including major resource projects; and promotes compliance with environmental laws, federal government policies and best practices in Transport Canada's stewardship activities.

| 2010-2011 Financial Resources ($ millions) | | | 2010-2011 Human Resources (FTEs) | | |
|---|---|---|---|---|---|
| **Planned Spending** | **Total Authorities** | **Actual Spending** | **Planned** | **Actual** | **Difference** |
| 70 | 59 | 40 | 64 | 75 | 11 |
| **2010-2011 Performance** | | | | | |

| Expected Results | Performance Indicators[13] | Targets |
|---|---|---|
| Transport Canada aware of, and responsive to, environmental impacts of its activities | Percentage level of compliance with applicable laws, regulations and guidelines | Total compliance with applicable laws, regulations and guidelines. |
| **Performance Status and Summary**<br><br>**Status:** Met All<br><br>Throughout 2010-2011, Transport Canada complied with applicable environmental legislation, regulations and guidelines, and did not receive any contravention notices. | | |

**Meeting Our Key Commitments**

Transport Canada's updated National Environmental Management System contributed to improving the management of departmental operations and lands through targets related to air emissions, land management, non-hazardous waste management, hazardous materials management, drinking water, environmental emergency response, green procurement and wastewater. The department achieved 100 percent of these targets.

Transport Canada managed contaminated sites in accordance with its departmental plan, the Federal Contaminated Sites Action Plan and the accelerated projects under Canada's Economic Action Plan. In total, Transport Canada undertook 24 assessment projects and 70 remediation projects that included five accelerated assessment projects and 20 accelerated remediation projects.

The department continued implementing the Major Projects Management Office principles to improve and streamline the federal regulatory review process for major projects, including environmental assessments, aboriginal consultations and regulatory approval.

The department helped develop the first three-year Federal Sustainable Development Strategy, which was tabled in Parliament by the Minister of the Environment in October 2010. Transport Canada also prepared its Departmental Sustainable Development Strategy, which highlights how the department contributes to the Federal Sustainable Development Strategy.

**Lessons Learned**

Improving oversight and monitoring of the National Environmental Management System provides a more accurate picture of performance. Stronger communication and awareness are also increasing the system's effectiveness as a tool to ensure departmental compliance with environmental legislation.

**Canada's Economic Action Plan**

Budget 2009 expanded the Federal Contaminated Sites Action Plan to address contaminated sites where remediation could be accelerated. As a result, Transport Canada undertook 25 projects worth $21.7 million in 2010-2011.

## 2.3 STRATEGIC OUTCOME: A SAFE TRANSPORTATION SYSTEM

This strategic outcome is supported by four departmental priorities detailed in Section I of this report and contributes to the Government of Canada outcome of A Safe and Secure Canada.

[13] This indicator was modified within the reporting year to reflect new measures adopted for improved performance analysis.

The following provides a detailed analysis of performance against expected results, as committed to in the 2010-2011 *Report on Plans and Priorities*, for each of these program activities in support of this strategic outcome:

2.3.1 Aviation Safety;
2.3.2 Marine Safety;
2.3.3 Rail Safety;
2.3.4 Road Safety; and
2.3.5 Transportation of Dangerous Goods.

### 2.3.1 Program Activity: Aviation Safety

**Description:** The Aviation Safety program activity develops administers and oversees the policies, regulations and standards necessary for the safe conduct of civil aviation within Canada's borders in a manner harmonized with the international aviation community.

| 2010-2011 Financial Resources ($ millions) | | | 2010-2011 Human Resources (FTEs) | | |
|---|---|---|---|---|---|
| **Planned Spending** | **Total Authorities** | **Actual Spending** | **Planned** | **Actual** | **Difference** |
| 240 | 253 | 211 | 1,864 | 1,793 | 71 |

| 2010-2011 Performance | | |
|---|---|---|
| **Expected Results** | **Performance Indicators** | **Targets** |
| A safe civil aviation system | Five-year average: number of accidents per 100,000 hours of flight and by type of operation | By 2010, maintain 2002-2007 average: *Canadian Aviation Regulations*<br>705 (Airline) 0.28<br>704 (Commuter) 1.15<br>703 (Air Taxi) 5.47<br>702 (Aerial Work) 3.88<br>604 (Private) 1.31 |
| | Number of accidents for training and recreational flights | By 2010, maintain accident numbers: *Canadian Aviation Regulations* 406 (Flight Training) 29.6; Recreational Aviation 277.8 (2007 baseline). |
| Public confidence in aviation safety | Percentage of Canadian public saying air travel is safe or very safe | By 2011, 90 percent of respondents say that air travel is safe or very safe. |

**Performance Status and Summary**

**Status**: Exceeded
Five-year average: number of accidents per 100,000 hours of flight and by type of operation.

**Status**: Exceeded**
In 2010, there were 234 aviation accidents* in Canada. The 2010 aviation accident rate of 5.9 decreased 7 percent when compared to the 2003-2007 five-year average of 6.34.
***Excludes accidents involving aircraft not operating in accordance with the* Canadian Aviation Regulations*; ultralight aircraft are excluded.*

**Number of accidents for training and recreational flights. Status**: Exceeded*
In 2010, there were 142 accidents involving recreational aviation. This reflects a decrease of 15 percent when compared to the 2003-2007 five-year average. Despite this trend, there were 38 accidents involving Flight Training (*Canadian Aviation Regulations* 406) in 2010. This reflects an increase of 28 percent when compared to the 2003-2007 five-year average.

**Percentage of Canadian public saying air travel is safe or very safe. Status:** In Progress
This indicator is under review, given the lack of public opinion research conducted during this reporting period.

**Source: Transport Canada, adapted from the Transportation Safety Board, preliminary data as of January 19, 2011. The 2005-2010 hours flown are estimated due to data lag.*

You will find more details at the Civil Aviation Website.

**Meeting Our Key Commitments**

Transport Canada continued to improve the infrastructure supporting aviation safety management systems by developing guidance material and training sessions. Approximately 45 percent of delegated civil aviation inspectors received mandatory training on the newly developed Surveillance Procedures course.

We made good progress towards developing a safety risk profile tool that will be used in risk-based surveillance planning in support of our oversight program.

Canada's position at the leading edge of aviation safety positions us as a key participant internationally with partners such as the United States Federal Aviation Administration, the European Aviation Safety Authority and other member states of the International Civil Aviation Organization. Coordination with international, domestic and departmental partners included participation in, and provision of subject-matter experts to, the Safety Management Systems International Collaboration Group; the Best Practices Panel, Western Hemispheric Dialogue; and other panels and working groups. During 2010-2011, interim agreements were signed with Iceland, Norway and Switzerland. The department hosted the North American Aviation Trilateral meeting on civil aviation safety program issues between Canada, Mexico and the United States.

We streamlined the Airports Capital Assistance program application and approval process to facilitate the start of projects.

Within Transport Canada and other government departments, Aviation Safety provided technical background on certification requirements and new emissions standards, as they impact both environmental sustainability and safety issues.

**Lessons Learned**

In light of the Transportation Safety Board Watchlist issued in 2010, the department has had to review its internal rule-making processes to improve its timeliness in responding to safety actions.

Our oversight methodology can benefit from a process of continuous improvement that includes a risk-based approach to prioritize surveillance activities, improved training for our inspectors and other improvements to our processes as a result of standardization and applying best practices identified by our people delivering the program, in the regions and across the country.

### 2.3.2 Program Activity: Marine Safety

**Description:** The Marine Safety program activity, under the authority of the *Canada Shipping Act, 2001*, the *Navigable Waters Protection Act*, The *Safe Containers Act*, the *Pilotage Act*, the *Coasting Trade Act* and *Arctic Waters Pollution Prevention Act*, develops, implements and administers regulations, policies and standards necessary for the safe and environmentally sound conduct of marine activities in a manner harmonized with the International Maritime Organization. This program activity promotes safety and provides safety oversight of the marine industry,

including domestic and foreign vessels, as well as pleasure crafts; enforces international conventions signed by Canada; and protects the marine environment and the public right to navigate on Canadian waterways.

| 2010-2011 Financial Resources ($ millions) | | | 2010-2011 Human Resources (FTEs) | | |
|---|---|---|---|---|---|
| **Planned Spending** | **Total Authorities** | **Actual Spending** | **Planned** | **Actual** | **Difference** |
| 74 | 84 | 83 | 660 | 682 | 22 |

| 2010-2011 Performance | | |
|---|---|---|
| **Expected Results** | **Performance Indicators** | **Targets** |
| A safe marine transportation system | Rates of accidents/fatalities | By 2015, achieve a 5-per-cent reduction from 2008 levels. |
| Public confidence in the marine transportation system | Percentage of the Canadian public reporting confidence in the safety of the marine transportation system | By 2010 to 2015 (based on strategic plan), 90 percent of respondents say that marine safety is safe or very safe. |

**Performance Status and Summary**

**Rates of accidents/fatalities. Status**: Exceeded
During the reporting period, a record low number of 292 Canadian vessel shipping accidents and accidents aboard ships were reported, compared to 327 in 2009. The 21.4-per-cent decline in the number of accidents in 2010 over the 2009 levels exceeded the 2010-2011 target of a five-per-cent reduction. A total of 17 marine fatalities were recorded in 2010, down from the previous five-year average of 18.4.

**Percentage of the Canadian public reporting confidence in the safety of the marine transportation system. Status**: In Progress
This indicator is under review, given the lack of public opinion research conducted during this reporting year.

**Meeting Our Key Commitments**

Transport Canada promoted a strong safety culture with the Canadian shipping industry by successfully completing the second year of a two-year pilot project for safety management systems, and holding public and internal consultations on a regulatory proposal for the mandatory implementation of safety management systems for the Canadian domestic fleet.

In addition to implementing safety management systems, we are progressing successfully toward a risk-based inspection regulatory regime. Risk factors such as compliance history, vessel age, type and area of operations are more significant in determining which vessels are inspected and how often. Through this regulatory regime, the department concentrates on doing inspections where they are most needed, based on the assessed risks to Canadian waterways and ports.

Transport Canada is actively involved in developing international standards at the International Maritime Organization. Canada is a member of the Paris and Tokyo Memoranda of Understanding that seek to harmonize the port state control regimes for ships. The department worked with the United States Coast Guard to seek ways to harmonize and collaborate on developing rules for vessels and monitoring activities to support Canadian and United States regulatory schemes. The department contributed to the safety of seafarers when the Government of Canada deposited its instrument of ratification of the *Maritime Labour Convention, 2006* with the International Labour

Office on June 15, 2010. The convention aims to achieve decent conditions of work for seafarers as a key aspect of ensuring fair competition for quality ship owners.

The department enhanced the national training program for marine inspectors by developing and administering five Vessel Inspector Refresher courses; and by developing and administering nine renewal Small Vessel Compliance Program courses. A national training approach ensures consistent delivery of Transport Canada's marine safety programs, which contributes to the safety of vessel operators and seafarers.

**Lessons Learned**

To effectively implement safety management systems, the department must adhere to the *International Safety Management Code, 2002* standard while tailoring requirements to its domestic fleet where possible.

A clear, harmonized and consolidated regulatory framework must be in place to support authorization programs. The department is moving forward with a number of regulatory reform projects to improve the regulatory framework. This work includes one project that will consolidate all inspection and certification requirements under one regulatory instrument, which will clarify the inspection and certification process for all stakeholders.

### 2.3.3 Program Activity: Rail Safety

**Description:** Under the authority of the *Railway Safety Act*, the Rail Safety program activity develops implements and promotes safety policy, regulations, standards and research. The program provides oversight of the rail industry; and promotes public safety at crossings; and identifies the risks of trespassing. It also provides funds to improve safety at grade crossings.

| 2010-2011 Financial Resources ($ millions) | | | 2010-2011 Human Resources (FTEs) | | |
|---|---|---|---|---|---|
| **Planned Spending** | **Total Authorities** | **Actual Spending** | **Planned** | **Actual** | **Difference** |
| 36 | 34 | 31 | 202 | 170 | 32 |

| 2010-2011 Performance | | |
|---|---|---|
| **Expected Results** | **Performance Indicators** | **Targets** |
| A safe rail transportation system | Number/rate of accidents and fatalities | 5-per-cent reduction in accident rates based on the five-year average, starting in 2009-2010. |
| | Incident rates | 5-per-cent reduction in incident rates based on the five-year average, starting in 2009-2010. |
| | Percentage of Canadian public reporting confidence in the safety of the rail transportation sytem | By 2011, 90 percent of respondents say that railways in Canada are safe or very safe. |

**Performance Status and Summary**

**Number/rate of accidents and fatalities. Status**: Met All
There was an 8.6-per-cent reduction in the accident rate in relation to the five-year average. There were 12.9 accidents per million train miles in 2010. This is well below the five-year average of 14.1 per million train miles.

There were 1,075 reported rail accidents in 2010. This is well below the five-year average of

1,278. There were 81 fatalities in 2010, down from the five-year average of 85, but up from the 2009 total.

**Incident rates. Status**: Met All
There was a 27-per-cent reduction in incident rates in relation to the five-year average. There were 1.9 rail incidents per million train miles in 2010, down significantly from the five-year average of 2.45. This decrease is mostly due to a reduction in the number of dangerous goods released in 2010.

**Level of public confidence. Status**: In Progress
This indicator is under review, given the lack of public opinion research conducted during this reporting year.

For more details, please consult our strategic plan at www.tc.gc.ca/eng/railsafety/publications-629.htm.

**Meeting Our Key Commitments**

Transport Canada implemented key pieces of Rail Safety's Strategic Plan for 2010 to 2015, building on many of the recommendations identified as part of the *Railway Safety Act* review. These included publishing the new *Guide for Developing, Implementing and Enhancing Railway Safety Management Systems* for *Developing, Implementing and Enhancing Railway Safety Management Systems*; developing a national training program for inspectors; putting in place early stages of a national data management system; and developing and enhancing business procedures as part of the rail safety quality management system.

Supporting legislation to amend the *Railway Safety Act* was tabled in Parliament in June 2010. This legislation included recommendations from the 2008 *Railway Safety Act* review that required changes to the *Act* itself, such as enhancing Transport Canada's oversight and enforcement capabilities. The amendment to the *Act* had completed second reading and was at the committee stage when the federal election was called. We expect that the legislation will be re-introduced in Parliament.

The Grade Crossing Improvement program provided $7.4 million in direct funding to improve grade crossings across Canada, and the Grade Crossing Closure program provided $225,000 to close crossings in cases where they were no longer required and traffic could be diverted to a safer alternative crossing. The rail safety organizational review will continue to realign the Rail Safety program to ensure maximum effectiveness in service delivery.

**Lessons Learned**

Through its quality management system, the Rail Safety program conducted an internal assessment of its business procedures in 2009-2010. The key findings noted a need for improved communications, as well as better training, information management and management accountability. The new Rail Safety Strategic Plan, approved in November 2010, addresses these key findings.

**Canada's Economic Action Plan**

The Rail Safety program received $68.4 million over five years in top-up funding through Canada's Economic Action Plan.

- Transport Canada completed a gap analysis of safety management systems regulations and audit activities.

- The department developed and delivered safety management systems audit training and published the safety management systems guide in November 2010. Significant efforts were also made to strengthen departmental oversight and enforcement capacity.
- There were 359 Grade Crossing Improvement program projects approved in 2010-2011.
- The light-emitting diode replacement program provided funding to industry to replace incandescent bulbs at grade crossings with new light emitting diode lights to meet the new Transport Canada standard.

### 2.3.4 Program Activity: Road Safety

**Description:** Guided by the *Motor Vehicle Safety Act* and the *Motor Vehicle Transport Act*, the Road Safety program activity develops standards and regulations; provides oversight; and engages in public outreach in order to reduce the deaths, injuries and social costs caused by motor vehicle use; and improves public confidence in the safety of Canada's road transportation system.

| 2010-2011 Financial Resources ($ millions) | | | 2010-2011 Human Resources (FTEs) | | |
|---|---|---|---|---|---|
| **Planned Spending** | **Total Authorities** | **Actual Spending** | **Planned** | **Actual** | **Difference** |
| 40 | 42 | 42 | 119 | 103 | 16 |

| 2010-2011 Performance | | |
|---|---|---|
| **Expected Results** | **Performance Indicators** | **Targets** |
| Safe roads | Number/rate of fatalities and serious injuries. | Thirty-per-cent reduction, based on baseline period (1996-2001). |
| Public confidence in the safety of the road system | Percentage of Canadians that express high confidence | By 2015, 50 percent have high confidence. |

**Performance Status and Summary**

**Number/rate of fatalities and serious injuries. Status:** Mostly Met
Progress towards the objective of a 30-per-cent decrease in fatalities and serious injuries is measured by comparing the latest three years of crash victim information with comparable data from the 1996-2001 baseline period. The most current victim data indicated that fatalities and serious injuries in the 2008-2010 period were 16.8 percent and 22.9 percent lower, respectively, than comparable figures from the baseline period. We will make a final assessment of the progress achieved towards Canada's road safety target when 2010 victim data are available.

**Percentage of Canadians that express high confidence. Status:** In Progress
This indicator is under review, given the lack of public opinion research conducted during this reporting year.

**Meeting Our Key Commitments**

The department continued its ongoing review of the *Motor Vehicle Safety Act*, considering issues raised by parliamentarians and the public. Bill S-5, an *Act to Amend the Motor Vehicle Safety Act and the Canadian Environmental Protection Act, 1999*, received Royal Assent on March 23, 2011. It brings Canada into compliance with North American Free Trade Agreement obligations with respect to importing used vehicles. For more details, please consult the Road Safety website.

In addition, the department harmonized most Canadian vehicle safety standards with the equivalent United States standards. The remaining few requirements reflect specific Canadian safety needs or obligatory legislative needs, or allow manufacturers more design freedom in areas deemed not critical to the safety of Canadian road users.

The department continued its international leadership role by participating in the development of a road safety standard for the International Organization for Standardization Safety Management Systems. The department has been leading a mirror committee of Canadian experts to support the development of International Standards Organization/PC 241, Road Safety Management, for the Standards Council of Canada.

Most of the work associated with the child seat safety action plan has been completed. For example, the *Motor Vehicle Restraint Systems and Booster Seats Safety Regulations* were amended as of May 12, 2010, to harmonize some elements with the U.S. and to incorporate new and unique Canadian testing requirements. You will find more details on our website at http://www.tc.gc.ca/eng/roadsafety/safedrivers-childsafety-index-53.htm.

Transport Canada has strengthened its domestic leadership role by chairing the Canadian Council of Motor Transport Administrators Task Force that developed the successor plan to Road Safety Vision 2010. The new initiative, called Road Safety Strategy 2015, kept the vision (the safest roads in the world) and strategic objectives of its predecessor. The new strategy was strongly endorsed by the Council of Ministers Responsible for Transportation and Highway Safety in September 2010.

**Lessons Learned**

An ongoing challenge when trying to increase public awareness is the lack of reliable information on the Canadian public's concerns and level of awareness of road safety issues. This limits the department's ability to proactively adjust emphasis.

Outreach initiatives, such as the Year of Road Safety and Transport Canada's website and publications, help ensure the public continues to have the resources at its disposal to make informed decisions regarding the personal safety of road users.

**Canada's Economic Action Plan**

Funding under Canada's Economic Action Plan in 2009-2010 and 2010-2011 was used to modernize the Motor Vehicle Test Centre and expand test capability to address emerging road safety risks. The modernization of the Motor Vehicle Test Centre in Blainville, Quebec, was completed on March 31, 2011. The laboratory is now state of the art and unique in North America. The crash laboratory has an expanded capacity that will allow crash tests to be more representative of the types of crashes that are injuring Canadians on roads today.

### 2.3.5 Program Activity: Transportation of Dangerous Goods

**Description:** As required by the *Transportation of Dangerous Goods Act, 1992*, the Transportation of Dangerous Goods program activity, based on risk, develops safety standards and regulations; provides oversight and gives expert advice (e.g. the Canadian Transport Emergency Centre) on dangerous goods incidents to promote public safety in the transportation of dangerous goods by all modes of transport in Canada; identifies threats to public safety and enforces the *Act* and its regulations; guides emergency response and limits the impact of incidents involving the transportation of dangerous goods; and develops policy and conducts research to enhance safety and security.

| 2010-2011 Financial Resources ($ millions) | | | 2010-2011 Human Resources (FTEs) | | |
|---|---|---|---|---|---|
| Planned Spending | Total Authorities | Actual Spending | Planned | Actual | Difference |
| 14 | 15 | 14 | 133 | 120 | 13 |
| **2010-2011 Performance** | | | | | |
| Expected | Performance Indicators | | Targets | | |

| Results | | |
|---|---|---|
| Public safety during the transportation of dangerous goods | Number of accidental releases from means of containment during normal conditions of transport | For 2010, zero accidental releases from means of containment during normal conditions of transport |
| | Number of deaths or injuries attributed to dangerous goods | For 2010, zero deaths and, for injuries, baseline + 5-per-cent reduction |

Performance Status and Summary

**Number of accidental releases from means of containment during normal conditions of transport. Status:** Not Met
In 2010-2011, four accidental releases from means of containment during normal conditions of transport were identified. Preliminary investigations are currently being conducted to determine the cause of these four accidental releases.

**Number of deaths or injuries attributed to dangerous goods. Status:** Met All
In 2010-2011, there were no deaths attributed to dangerous goods. There were two injuries that were directly linked to dangerous goods. Both injuries occurred in transport on roads.

**Meeting Our Key Commitments**

To align with the safety and security requirements of the amended *Transportation of Dangerous Goods Act*[14], two regulatory amendments were made. These amendments helped harmonize the regulatory framework with our international partners to ensure Canada's interests are communicated and considered in the development of international regulations and standards. Aligning regulations with the *Act* and harmonizing regulations with those of our partners ensures a safe and more efficient transportation network.

Enforcement of and compliance with the *Transportation of Dangerous Goods Act* is a shared responsibility with other federal departments and provincial and territorial authorities. Through the 2010-2011 spring and fall meetings of the task force and the National Compliance Working Group, the department established policy and common enforcement practices to provide for fairer and more transparent program delivery. The department also identified the need for regulatory changes that would better serve the transportation of dangerous goods industry without compromising safety.

The department also developed a core competency policy that strengthens the inspectorate's knowledge base and provides for more uniform program delivery.

**Lessons Learned**

Regular quality assurance reviews of program oversight, strategies, policies and operational procedures are required to ensure a uniform delivery of the program. Timely emergency response assistance plan approvals must be made to support emergency response activities undertaken by industry. A standardized national risk-based approach, based on best practices, is required to strengthen compliance oversight activities. The department will provide the regions with the necessary tools to ensure that compliance oversight is performed in a consistent manner.

The department is also moving forward with an external review of the Emergency Response Assistance program's policies and procedures to provide the framework for a more effective and

[14] The *Transportation of Dangerous Goods Act* applies to all activities under the jurisdiction of Parliament. Enforcement is conducted and compliance is ensured under the oversight sub activity, which is a shared responsibility with other federal departments, and provincial and territorial authorities.

responsive approval process. A clear, harmonized and consolidated regulatory framework must be in place to support programs. The Department is moving forward with a number of regulatory projects to align the regulatory framework with our most important trading partners.

## 2.4 STRATEGIC OUTCOME: A SECURE TRANSPORTATION SYSTEM

This strategic outcome contributes to all departmental priorities detailed in Section I of this report and contributes to the Government of Canada outcome of A Safe and Secure Canada.

The following provides a detailed analysis of performance against expected results, as committed to in the 2010-2011 *Report on Plans and Priorities*, for each of the program activities in support of this strategic outcome:

2.4.1 Aviation Security;
2.4.2 Marine Security; and
2.4.3 Surface and Intermodal Security.

### 2.4.1 Program Activity: Aviation Security

**Description:** The Aviation Security program activity develops administers and oversees policies, programs, regulations and standards necessary for a secure Canadian aviation system in a manner harmonized with the international aviation community.

| 2010-2011 Financial Resources ($ millions) | | | 2010-2011 Human Resources (FTEs) | | |
|---|---|---|---|---|---|
| **Planned Spending** | **Total Authorities** | **Actual Spending** | **Planned** | **Actual** | **Difference** |
| 29 | 49 | 43 | 253 | 355 | 102 |

| 2010-2011 Performance | | |
|---|---|---|
| **Expected Results** | **Performance Indicators** | **Targets** |
| A secure aviation system | Composite index level of aviation security | By 2015, Aviation Security is rated high to very high on the index (subject to change once the composite index is developed). |
| Level of credibility of aviation security internationally | Number of adjustments made to the Canadian Aviation Security Regulatory Framework to achieve international acceptance | Two adjustments or less are made to the Canadian Aviation Security Regulatory Framework to achieve international acceptance. |
| Public confidence in the security of the aviation transportation system | Percentage of respondents in a national survey reporting confidence in the security of Canada's aviation system | Ninety percent of the public has high or moderate confidence in the security of Canada's aviation system. |

**Performance Status and Summary**

**Composite index level of aviation security. Status**: In Progress
While the composite index has been developed, an assessment is currently being completed as to how the data can be collected. This indicator is under review.

**Number of adjustments made to the Canadian Aviation Security Regulatory Framework to achieve international acceptance. Status**: Met All
Two adjustments (Air Cargo) were made to the Canadian Aviation Security Regulatory Framework in the fiscal year 2010-2011.

**Percentage of Canadians that express confidence in the security of Canada's aviation system.**
**Status:** In Progress
No surveys were conducted in 2010-2011. This indicator is currently under review.

### Meeting Our Key Commitments

Transport Canada and the Royal Canadian Mounted Police negotiated a memorandum of understanding to improve the sharing of criminal information and intelligence for transportation security. This includes a review by the Royal Canadian Mounted Police of known criminal associations or links to organized crime and allows Transport Canada to better assess the risk posed by transportation security clearance applicants.

Progress is continuing on the development of the department's long-term strategy to enhance aviation security. Specific achievements include strengthening the Canadian Air Transport Security Authority's financial sustainability; enhancing passenger and baggage screening; launching a comprehensive Air Cargo Security program; conducting public consultations on aviation security programs for airports; performance-based regulation that will result in greater industry involvement in addressing local risks.

Transport Canada is proceeding with a two-pronged approach for the Air Cargo Security program that includes strengthening supply chain security and enhancing screening. This made-in-Canada solution to cargo threats will be comparable to and compatible with security measures used by the United States and other international partners. The Air Cargo Security program allows Canada to meet international standards, which in turn ensures Canada's continued ability to move cargo internationally, a $50-billion business worldwide that transports 35 percent of the value of goods traded internationally and is a critical part of the airline business.

Progress was also made on streamlining aviation security regulations to reduce the industry compliance burden and on moving towards performance-based regulations to further enhance risk management approaches to aviation security. A step towards strengthening aviation security in Canada was also achieved by developing and publishing the *Canadian Aviation Security Regulations* applying to airports in the *Canada Gazette*, Part I, on February 12, 2011.

### Canada's Economic Action Plan

- Budget 2009 saw investments totalling $1.5 billion over five years for measures to support security programs. This funding will be used to better align Canada's aviation security requirements with international requirements and to reduce operating shortfalls. The Canadian Air Transport Security Authority has taken many concrete steps to enhance its aviation security system, including implementing 57 full-body scanners at major Canadian airports.
- Budget 2009 provided $95.7 million over five years to strengthen and enhance the Air Cargo Security program. The Air Cargo Security program mitigates risks, supports the efficient movement of goods in and out of Canada, and responds to emerging threats.

### Lessons Learned

In 2010-2011 Transport Canada directed the Canadian Air Transport Security Authority, which is responsible for airport security screening, to focus on smarter screening, and checking for high-threat items such as explosives. These changes included removing items from the prohibited

items list (such as small scissors and tools) which pose a low threat to aircraft safety and security, particularly in light of recent developments in aircraft integrity such as reinforced cockpit doors, improved aircrew security training and programs like Passenger Protect. Changes also included introducing new equipment and lane configurations; which are designed to make the Canadian Air Transport Security Authority's screening smarter and more effective by modernizing passenger and baggage screening. These announced changes to airport screening are designed to ensure travellers are getting value for their money by increasing convenience while maintaining a consistently high level of security.

### 2.4.2 Program Activity: Marine Security

**Description:** The Marine Security program activity, with partners, enforces the *Marine Transportation Security Act* to protect Canada and Canadians in a way that respects Canadian values. It safeguards integrity and security, and preserves the efficiency of Canada's Marine Transportation System against unlawful interference, terrorist attacks or from being used as a means to attack our allies.

| 2010-2011 Financial Resources ($ millions) | | | 2010-2011 Human Resources (FTEs) | | |
|---|---|---|---|---|---|
| **Planned Spending** | **Total Authorities** | **Actual Spending** | **Planned** | **Actual** | **Difference** |
| 21 | 21 | 20 | 161 | 146 | 15 |
| **2010-2011 Performance** | | | | | |
| **Expected Results** | **Performance Indicators** | | **Targets** | | |
| A secure marine transportation system | Number and types of security incidents in marine ports and facilities.<br>Under development: indicator to be based on *Marine Transportation Security Regulations* incidents | | Baseline will be established in 2011; 10-percent reduction in the number, frequency and intensity of *Marine Transportation Security Regulations* incidents by 2015. | | |
| Level of credibility of marine security internationally | Number of countries imposing special security measures on goods and people arriving from Canada | | By 2010, zero countries imposing special security measures on goods and people arriving from Canada. | | |
| Public confidence in the security of the marine transportation system | Percentage of surveyed population reporting confidence in marine security | | 90 percent of surveyed population reporting confidence in marine security by 2015. | | |

**Performance Status and Summary**

**A secure marine transportation system. Indicator to be based on the *Marine Transportation Security Regulations*. Status**: In Progress
This indicator has been amended and re-aligned to the program's sub activity on oversight and enforcement. This indicator is currently under review.

**Number of countries imposing special security measures on goods and people arriving from Canada. Status**: In Progress
To ensure greater clarity and consistency of reporting between all of Transport Canada's modes, this indicator has been amended. In the interim, however, the program can report that Canada is fully compliant with, and in some cases exceeds, the standards required by the International Maritime Organization under the *International Ship and Port Facility Security Code*. In addition, the program is held in high regard by international partners, and Canada's advice on best practices and training is

regularly sought by other countries.

**Percentage of surveyed population reporting confidence in marine security. Status**: In Progress No public confidence data for the security of the transportation system were gathered in 2010; however, a Marine Industry Stakeholder survey was completed in 2010-2011, in which 93 percent of stakeholders agreed that a Marine Security program is needed in Canada. Stakeholders further agreed that their organizations were prepared to detect and prevent marine threats and incidents (79 percent), and to respond and recover (93 percent). This indicator is currently under review.

**Meeting Our Key Commitments**

A whole-of-government Maritime Security Strategic Framework was developed and endorsed by the Transport Canada-led Interdepartmental Marine Security Working Group and the Assistant Deputy Ministers' Marine Security Committee. The framework, which effectively updates the 2004 Marine Security Strategy, is designed to guide and unify the effort of departments and agencies during maritime security missions. The interdepartmental Marine Security Operations Centre Policy Working Group, led by Transport Canada, developed a policy position that defined and clarified the current and future state of the Marine Security Operations centres. The policy position recommended legislation to clarify roles and remove ambiguities about information sharing between Marine Security Operations Centre partners and agencies.

Both the Coastal Marine Security Operations Centre and the Great Lakes Marine Security Operations Centre are now operational and have achieved their initial operating capability under the respective Department of National Defence and Royal Canadian Mounted Police project management organizations. The centres' interdepartmental organizations have been established and are capable of operating 24 hours a day, seven days a week to target, detect and assess maritime security threats. Transport Canada has integrated its personnel and processes into the centres, and continues to work with participating departments and agencies to develop a solid awareness in the department's area of responsibility with regard to maritime security. This has improved the Government of Canada's level of maritime domain awareness, which was evidenced during the 2010 arrival of the MV *Sun Sea* and MV *Ocean Lady* and its cargo of almost 500 irregular migrants.

*Marine Transportation Security Regulations* are being updated to ensure that they are written in plain language, performance expectations are clear and the regulations are further harmonized with those of international partners. Consultations with industry, other government departments and departmental colleagues occurred across the country in 2010, after which the department decided to divide the proposed amendments into phases to allow for a more manageable approach.

The Oversight and Enforcement program was enhanced by taking a phased-in approach to implement the *Domestic Ferries Security Regulations*; introducing education and awareness initiatives to encourage compliance with the *Marine Transportation Security Act* and its regulations; and enhancing more comprehensive compliance and enforcement policies and guidance for inspectors.

**Lessons Learned**

Transport Canada played an integral part in maritime security for the April 2010 G20 summit. Enhanced water-side security zones were established under the *Marine Transportation Security Act* on ferry facilities, commercial vessels and on parts of Lake Ontario for security purposes. Lessons learned from this event in terms of logistics, roles and responsibilities, and implementation will be invaluable for future marine security-related events.

The arrival of almost 500 irregular migrants in two separate ships (MV *Sun Sea* and MV *Ocean Lady*) in 2010, was utilized to further develop and enhance interdepartmental intelligence and information sharing processes and procedures, to further test and refine the Federal interdepartmental Marine Event Response Protocol, and to reinforce and enhance Transport Canada's role as an effective partner in a coordinated Government of Canada response to a significant marine event or incident.

### 2.4.3 Program Activity: Surface and Intermodal Security

**Description:** Guided by the *Rail Safety Act*, the *International Bridges and Tunnels Act* and the federal government's transportation security mandate, the Surface and Intermodal Security program activity enhances the security of surface and intermodal transportation, mainly rail and urban transit, against direct terrorist attack. Working with partners to protect Canada and Canadians in a way that respects Canadian values and preserves the efficiency of the transportation system, the program provides federal leadership, develops and enforces regulatory and voluntary frameworks (regulations, codes of practice, and memoranda of understanding) and provides financial contributions.

| 2010-2011 Financial Resources ($ millions) | | | 2010-2011 Human Resources (FTEs) | | |
|---|---|---|---|---|---|
| **Planned Spending** | **Total Authorities** | **Actual Spending** | **Planned** | **Actual** | **Difference** |
| 7 | 7 | 7 | 44 | 49 | 5 |

| 2010-2011 Performance | | |
|---|---|---|
| **Expected Results** | **Performance Indicators** | **Targets** |
| Urban transit operators aware of and adopt voluntary and regulatory requirements when the latter are in place | Percentage of awareness and adoption among category 1 and 2 operators of voluntary and regulatory requirements[15] | 100 percent [or: Total] awareness among urban transit operators by 2011. |
| | | By 2011, category 1: 80-per-cent adoption; category 2: 50-per-cent adoption. |
| Rail transportation (passenger and freight) operators aware of and adopt voluntary and regulatory requirements (when the latter are in place) | Percentage of operators that are aware of voluntary frameworks | 100 percent [or: Total] awareness among passenger and freight operators by 2011. |
| | Percentage of class 1 railways and selected commuter rail (e.g. AMT, GO Transit, West Coast Express) that adopt voluntary frameworks | 100 percent [or: Total] voluntary adoption by passenger and freight operators by 2011. |

**Performance Status and Summary**

**Percentage of awareness and adoption among category 1 and 2 operators of voluntary and regulatory requirements. Status:** Mostly met
Ninety-two percent of urban transit companies submitted security plans to Transport Canada, demonstrating that they are aware of the voluntary framework.

**Percentage of operators that are aware of voluntary frameworks. Status:** Mostly Met
The signatories to the Railway Association of Canada-Transport Canada Memorandum of

[15] Category 1 operators are the 11 operators from the six major urban centres (Vancouver, Calgary, Edmonton, Toronto, the National Capital Region and Montreal). Category 2 operators are those from smaller municipalities and communities outside major urban areas.

Understanding on railway security matters are aware of voluntary frameworks. These signatories account for 96 percent of the total revenue tonne-kilometres of the railways, 92 percent of the passenger-kilometres travelled and 90 percent of the total train-kilometres travelled.

**Percentage of class 1 railways and selected commuter rail (e.g. AMT, GO Transit, West Coast Express) that adopt voluntary frameworks. Status**: In Progress
The main elements of the Railway Association of Canada-Transport Canada Memorandum of Understanding that have been implemented include security plans; record keeping; exercises; training and awareness; incident reporting; and intelligence sharing. Thirty railway operators submitted security plans to Transport Canada, demonstrating that railways are aware of and are in the process of adopting the voluntary framework.

There are challenges with measuring how the awareness element of the performance indicator contributes to ensuring a secure surface and intermodal transportation system, and the values of this performance indicator versus the actual adoption of the voluntary and regulatory requirements. These indicators are currently under review to ensure relevance and measurability.

**Meeting Our Key Commitments**

Transport Canada developed a five-year strategy to establish a framework for the Government of Canada's future activities in surface and intermodal transportation security. The strategy supports the strategic objective of enhancing security for all gateways and corridors. The department is implementing Beyond the Border, a shared vision for perimeter security and economic competiveness, in cooperation with the United States government to better enhance the movement of goods and people along these corridors.

The department undertook a risk-based analysis of international bridges and tunnels, and the transportation of dangerous goods in consultation with industry to assess the appropriate government instrument to enhance the security of these sectors. In addition, Transport Canada worked with other federal departments, U.S. government agencies and private-sector stakeholders to conduct specific security risk assessments on selected critical infrastructure.

To strengthen the oversight over the voluntary rail security regime, the department developed and implemented the Performance and Evaluation Assessment Tool that is currently being used by inspectors to more efficiently assess operators' security performance and adherence to security commitments.

Work continued with industry leaders to successfully develop additional guidance material (i.e. codes of practice) that is helping operators enhance their security systems.

**Lessons Learned**

A comprehensive oversight model is required to ensure that clear performance measures are developed for future security programs and sufficient guidance materials are developed for industry stakeholders. Given the jurisdictional complexity of the surface and intermodal sector, improved collaboration with federal, provincial and territorial partners is essential. The lessons learned from existing security programs and risk-based security analysis will be used in developing future security programs (e.g. international bridges and tunnels, and the transportation of dangerous goods).

## 2.5 PROGRAM ACTIVITY: INTERNAL SERVICES

Internal Services supports two departmental priorities detailed in Section I of this report and contributes to all four strategic outcomes. The following provides a detailed analysis of

performance against expected results, as committed to in the 2010-2011 *Report on Plans and Priorities* in support of this program activity.

**Description:** Internal Services[16] are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. These groups are Management and Oversight[17] Services; Communications Services; Legal Services; Human Resources Management Services; Financial Management Services; Information Management Services; Information Technology Services; Real Property Services; Material Services; Acquisition Services; and Travel and Other Administrative Services. Internal Services include only those activities and resources that apply across an organization.

| Internal Services | | | | | |
|---|---|---|---|---|---|
| 2010-2011 Financial Resources ($ millions) | | | 2010-2011 Human Resources (FTEs) | | |
| Planned Spending | Total Authorities | Actual Spending | Planned | Actual | Difference |
| 177 | 212 | 227 | 1,292 | 1,448 | 156 |

**Meeting Our Key Commitments**

To support public service renewal, new talent management and employee engagement initiatives were implemented. Through employee-to-employee mentoring, learning groups and networks, best practices and experience can be shared throughout Transport Canada. For example, to increase horizontal understanding of the most important departmental issues, the department began to hold national townhall meetings for its executives across the country.

An extensive review of Transport Canada's Performance Measurement Framework was undertaken to enhance the department's performance tracking and reporting, strengthen accountability and enable better decision making to improve program delivery and resource allocation. Changes will be implemented in future years.

In addition to its new governance structure, the department developed its first five-year Investment Plan, and adopted new guidelines to streamline and strengthen project approval and oversight processes.

The Centre of Expertise on Transfer Payments was established to help improve how transfer payments programs are managed and delivered to recipients. This will make our programs more recipient-focused, result-oriented and cost-effective. The department also completed the second year of a three-year plan to test the design and operating effectiveness of its system of internal control.

In addition to these results which respond to planned activities included in the 2010-2011 *Report on Plans and Priorities*, we also achieved the following:

Internal Services provided support to the department by collecting, analysing and disseminating reliable information. Economic transportation statistical data, such as statistics on passengers and cargo for the four transportation modes, were produced and shared within the department to sup-

[16] Commencing with the 2009-2010 Estimates cycle, the resources for the Internal Services program activity are displayed separately from other program activities; they are no longer distributed among the remaining program activities, as was the case in previous Main Estimates. This has affected the comparability of spending and FTE information by program activity across fiscal years.

[17] Management and Oversight Services include the following service groupings: Strategic Policy and Economic Analysis, Government Relations, Executive Services, Corporate Planning and Reporting, Programs and Services Management, Internal Audit, Evaluation and Crown Corporation Governance.

port policymaking, program development and decision-making in support of the four strategic outcomes.

Amendments to overhaul the *Carriers and Transportation and Grain Handling Undertakings Information Regulations* were published in Part I of the *Canada Gazette* on February 19, 2011. These regulations, which had not been reviewed in over 13 years, provide the means by which the Minister of Transport collects operational and financial data on all modes of transport under federal jurisdiction.

The department successfully completed the four-year Web Content Management System project that saves an estimated 30 percent on routine Web coding time, and allows the automation of major site changes, for a significant gain in efficiency. This project was honoured with a Service Delivery Award at Canada's Government Technology Event. Through the Web 2.0 Collaboration project, Transport Canada launched external social media channels, Twitter and Facebook, to support public awareness and engagement in the department's priority areas of activity.

In Internal Audit, the risk-based internal audit planning process was improved to focus limited internal audit resources on areas of highest risk for the department. The internal audit function's role as assurance and advice provider to senior management was strengthened. Several internal audits and reviews were completed, the most significant of which was a review of Aviation Security Regulatory Oversight. Conflict of Interest, Fraud Risk Management, Economic Action Plan delivery, and Civil Aviation Oversight were some other areas where support was provided. Support for external auditors and for senior officials whose programs/functions were being audited was increased. The Audit Committee played an active role as advisor to the Deputy Minister on risks, controls and governance. There were first steps to improve tracking/assessment of follow-up on management action plan commitments in internal audit, external audit, and evaluation reports.

The Evaluation function helps the department by systematically examining departmental programs and providing credible information on their relevance and performance. Under an updated federal Policy on Evaluation, 100 percent of the department's program activities must be evaluated every five years. Three major evaluations were approved in 2010-2011 and substantial progress was made on nine others, so the evaluation function is on track to meet its five-year 100 percent target by the March 2015. Evaluations of the Marine Safety program activity, Rail Passenger Stewardship and Support, Clean Transportation Theme, Transportation of Dangerous Goods, and Air Cargo Security in particular will contribute to the government's base of evidence regarding policies and programs. An Evaluation Committee, chaired by the Deputy Minister, was established and held its first meeting. This Committee will approve evaluation reports, management action plans, and management updates on management action plan implementation.

**Lessons Learned**

Public service renewal initiatives at Transport Canada are being embedded as a change management approach to engage both managers and employees. In addition, to ensure that enabling functions such as financial management, human resources and information technology management are well aligned with its mandate and priorities, the department will continue to improve its integrated business planning process.

## 3.1 FINANCIAL HIGHLIGHTS

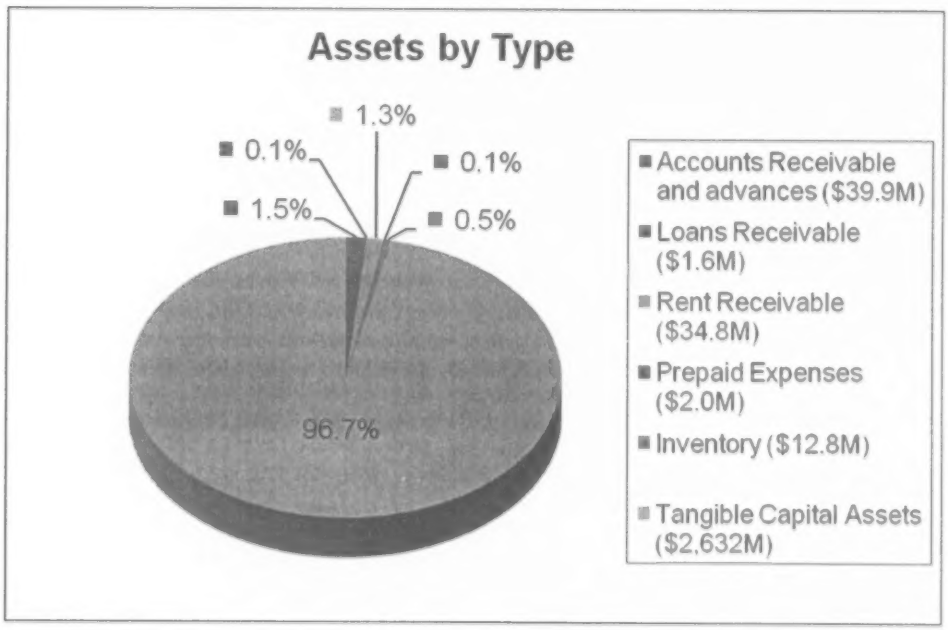
The financial highlights presented within this DPR are intended to serve as a general overview of Transport Canada's financial position and operations. The department's financial statements can be found on Transport Canada's website.

**($ thousands)**

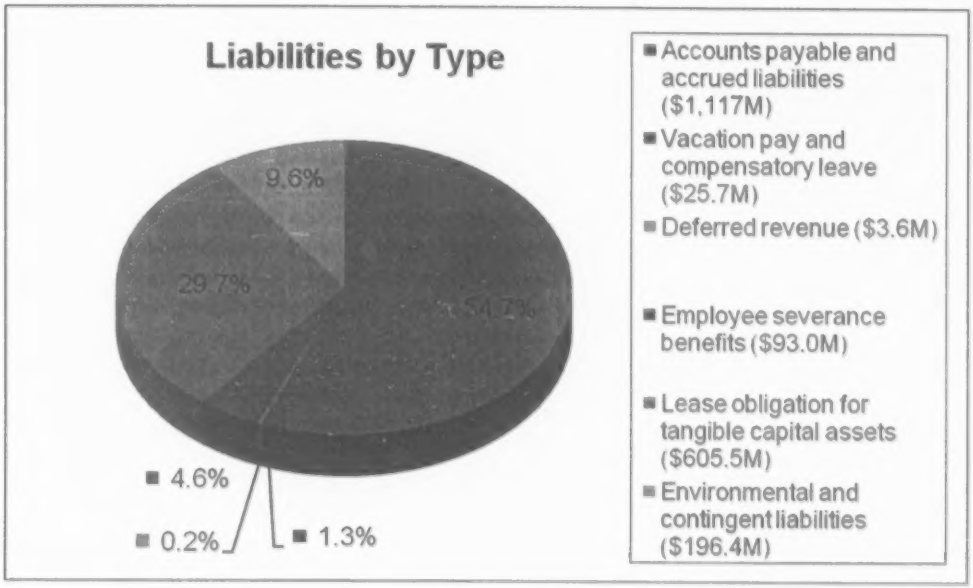
| Condensed Statement of Financial Position<br>At end of Fiscal Year (March 31, 2011) | % Change | 2010-2011 | 2009-2010<br>(Restated) |
|---|---|---|---|
| **Total Assets** | -3.5 % | 2,723,535 | 2,822,415 |
| **Total Liabilities** | 8.9 % | 2,040,786 | 1,874,843 |
| **TOTAL EQUITY** | -27.9 % | **682,749** | **947,572** |

**($ thousands)**

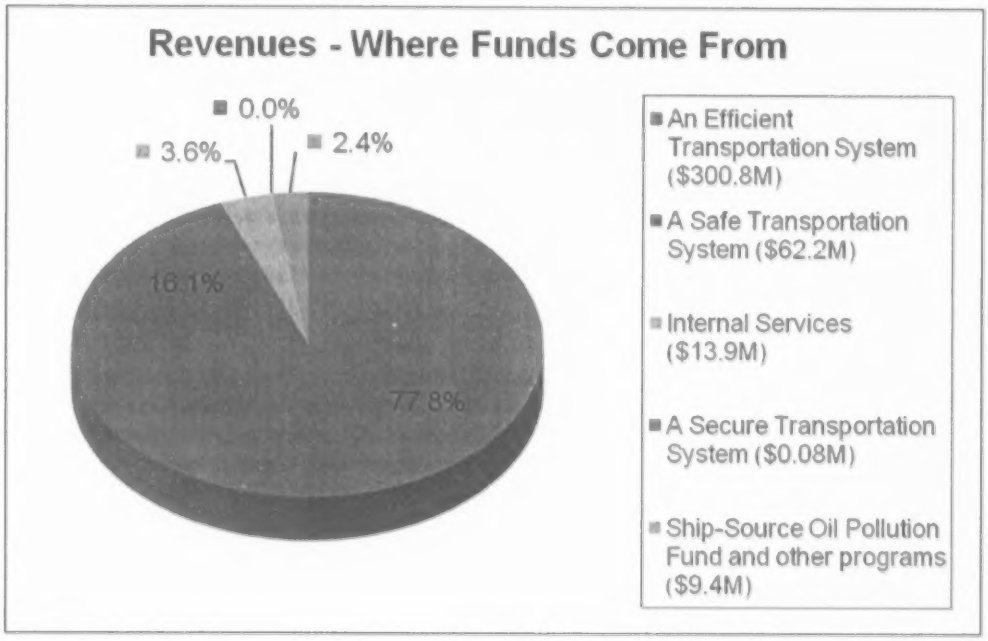
| Condensed Statement of Financial Operations<br>At end of Fiscal Year (March 31, 2011) | % Change | 2010-2011 | 2009-2010<br>(Restated) |
|---|---|---|---|
| **Total Expenses** | 11.0 % | 1,572,078 | 1,415,887 |
| **Total Revenues** | 2.5 % | 386,477 | 377,226 |
| **NET COST OF OPERATIONS** | 14.1 % | **1,185,601** | **1,038,661** |



Total assets were $2,723 million at the end of 2010-2011, a decrease of $99 million (3.5%) over the previous year's total assets of $2,822 million. Tangible capital assets represented the largest portion of total assets at $2,633 million or 96.7% of total assets.

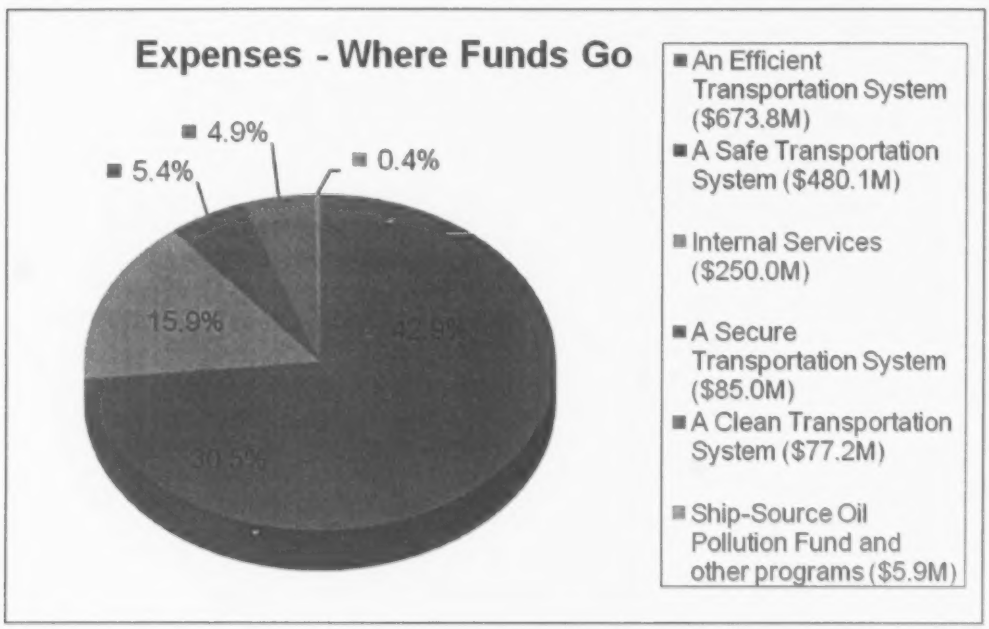



Total liabilities were $2,041 million, an increase of $166 million (8.9%) over the previous year's total liabilities of $1,875 million. Accounts payable represents the largest portion of liabilities at $1,117 million or 54.7% of total liabilities.



* The Revenues from the Ship-Source Oil Pollution and other programs are earmarked under legislation for specific expense purposes and are not available for Transport Canada spending.

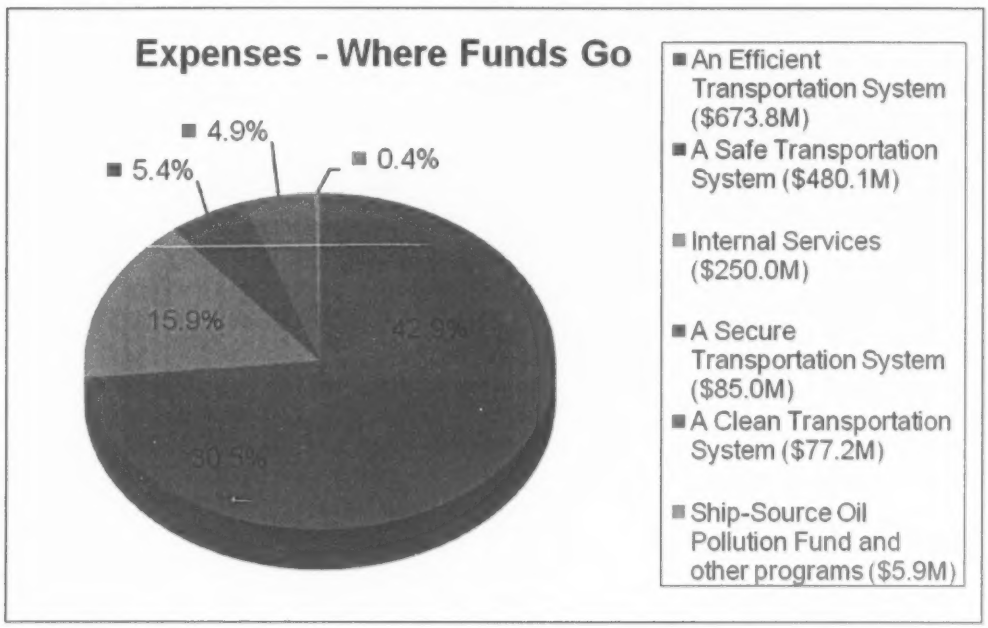
The department's total revenues amounted to $386 million for 2010-2011. There was an increase of $9 million (2.5%) from the previous year's revenue. Most of Transport Canada's revenue was derived from the Efficient Transportation System program activity.




Total expenses for Transport Canada were $1,572 million in 2010-2011. There was an increase of $156 million (11%) from the previous year's expenses. The majority of funds, $1,239 million or 78.8%, were spent on transportation efficiency and safety and security while other programs represented $333 million or 21.2% of total expenses.

* The Revenues from the Ship-Source Oil Pollution and other programs are earmarked under legislation for specific expense purposes and are not available for Transport Canada spending.

The department's total revenues amounted to $386 million for 2010-2011. There was an increase of $9 million (2.5%) from the previous year's revenue. Most of Transport Canada's revenue was derived from the Efficient Transportation System program activity.




Total expenses for Transport Canada were $1,572 million in 2010-2011. There was an increase of $156 million (11%) from the previous year's expenses. The majority of funds, $1,239 million or 78.8%, were spent on transportation efficiency and safety and security while other programs represented $333 million or 21.2% of total expenses.

## 3.2 SUPPLEMENTARY INFORMATION TABLES

All electronic supplementary information tables found in the 2010-2011 *Departmental Performance Report* can be found on the Treasury Board of Canada Secretariat's website at www.tbs-sct.gc.ca/dpr-rmr/2010-2011/index-eng.asp.

- Sources of Respendable and Non-Respendable Revenue
- User Fees Reporting
- Status Report on Projects Operating with Specific Treasury Board Approval
- Status Report on Transformational Projects and Major Crown Projects
- Details on Transfer Payment Programs
- Up-Front Multi-Year Funding
- Horizontal Initiatives
- Green Procurement
- Response to Parliamentary Committees and External Audits
- Internal Audits and Evaluations

## SECTION IV: OTHER ITEMS OF INTEREST

### 4.1 RELEVANT WEBSITES

Acts and Regulations
http://laws.justice.gc.ca/en/

Airports Capital Assistance Program
www.tc.gc.ca/eng/programs/airports-acap-menu-327.htm

Asia-Pacific Gateway and Corridor Initiative
www.pacificgateway.gc.ca/index2.html

Assembly Resolution on International Aviation and Climate Change
http://www.icao.int/icao/en/env2010/Statements/sbsta-33_Item-6a.pdf

Atlantic Gateway and Trade Corridor Strategy
www.atlanticgateway.gc.ca/strategy-index.html

Aviation Safety Program Activity
www.tc.gc.ca/eng/civilaviation/opssvs/aviationsafety-menu.htm

Aviation Security Program Activity
www.tc.gc.ca/eng/aviationsecurity/menu.htm

Blue Sky International Air Policy
www.tc.gc.ca/eng/policy/ace-consultations-bluesky-745.htm

Budget 2009: Canada's Economic Action Plan
www.budget.gc.ca/2009/home-accueil-eng.html

Canada's Gateways
www.canadasgateways.gc.ca/index2.html

Canadian Aviation Regulations
www.tc.gc.ca/eng/civilaviation/regserv/cars/menu.htm

Canada Gazette, Part 1
www.gazette.gc.ca/rp-pr/p1/index-eng.html

Canadian Transportation Authority
www.catsa-acsta.gc.ca/home.aspx?id=1&pname=Home_Accueil&lang=en

Canadian Transport Emergency Centre
www.tc.gc.ca/eng/canutec/menu.htm

Child Safety
www.tc.gc.ca/eng/roadsafety/safedrivers-childsafety-index-53.htm

Civil Aviation
http://www.tc.gc.ca/eng/civilaviation/menu.htm

Clean Air Agenda
www.tbs-sct.gc.ca/hidb-bdih/initiative-eng.aspx?Hi=12

Departmental Sustainable Development Strategy
www.tc.gc.ca/eng/policy/acs-sd-dsds-2615.htm

Detroit River International Crossing
www.tc.gc.ca/eng/mediaroom/infosheets-menu-5921.htm

ecoTRANSPORT
www.ecoaction.gc.ca/ecotransport/index-eng.cfm

Exclusion List Regulations
www.gazette.gc.ca/rp-pr/p2/2009/2009-05-13/html/sor-dors131-eng.html

Federal Sustainable Development Strategy
www.ec.gc.ca/dd-sd/default.asp?lang=En&n=C2844D2D-1

Financial Reports of Transport Canada
www.tc.gc.ca/eng/corporate-services/finance-menu.htm

Gateways and Border Crossings Fund
www.tc.gc.ca/eng/policy/acg-acgd-menu-infrastructure-2170.htm

Gateways and Corridors Program Activity
www.tc.gc.ca/eng/innovation-gateways-and-corridors.htm

Grade Crossing Improvement program
www.tc.gc.ca/eng/railsafety/publications-46.htm

Grade Crossing Closure program
http://www.tc.gc.ca/eng/railsafety/publications-45.htm

International Civil Aviation Organization
www2.icao.int/en/home/default.aspx

Assembly Resolution on International Aviation and Climate Change
www.icao.int/icao/en/env2010/Statements/sbsta-33_Item-6a.pdf

International Convention on Civil Liability for Bunker Oil Pollution Damage
http://www.imo.org/About/Conventions/ListOfConventions/Pages/International-Convention-on-Civil-Liability-for-Bunker-Oil-Pollution-Damage-(BUNKER).aspx

International Convention on the Control of Harmful Anti-fouling Systems on Ships
www.imo.org/About/Conventions/ListOfConventions/Pages/International-Convention-on-the-Control-of-Harmful-Anti-fouling-Systems-on-Ships-(AFS).aspx

International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004
www.imo.org/About/Conventions/ListOfConventions/Pages/International-Convention-for-the-Control-and-Management-of-Ships'-Ballast-Water-and-Sediments-(BWM).aspx

International Maritime Organization
www.tc.gc.ca/eng/marinesafety/rsqa-imo-menu-1877.htm

Main Estimates
www.tbs-sct.gc.ca/est-pre/estime.asp

Marine Atlantic Inc.
www.marine-atlantic.ca/en/company/company.shtml

Marine Security Program Activity
www.tc.gc.ca/eng/marinesecurity/menu.htm

National Policy Framework for Strategic Gateways and Trade Corridors
www.canadasgateways.gc.ca/NationalPolicyFramework/nationalpolicy.html

Policy on Management, Resources and Results Structures
www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=18218&section=text

Policy on Evaluation
www.tbs-sct.gc.ca/pol/doc-eng.aspx?section=text&id=15024

Public Accounts of Canada for 2010-2011 (Volume II)
www.tpsgc-pwgsc.gc.ca/recgen/txt/72-eng.html

Rail Freight Service Review Panel
www.tc.gc.ca/eng/policy/acg-rfs-review-examen-sfm-rvw-eng-2616.htm

Rail Safety Program Activity
www.tc.gc.ca/eng/railsafety/publications-665.htm

Report on Plans and Priorities
www.tbs-sct.gc.ca/rpp/2010-2011/index-eng.asp?acr=1630

Road Safety Program Activity
http://www.tc.gc.ca/eng/roadsafety/menu.htm

Road Safety Strategy 2015
www.ccmta.ca/crss-2015/index.php

Safety Management Systems
www.tc.gc.ca/eng/civilaviation/opssvs/directives-dir31rev2-338.htm

Speech from the Throne 2009
www.speech.gc.ca/eng/media.asp?id=1384

Surface and Intermodal Security Program Activity

www.tc.gc.ca/eng/railsecurity/pruts-menu.htm

Transport Canada website
www.tc.gc.ca/eng/tc-main.htm

Transport, Infrastructure and Communities Portfolio
www.tc.gc.ca/eng/aboutus-abouttic.htm

Transportation Infrastructure program activity
http://www.tc.gc.ca/eng/aboutus-abouttic.htm

Transportation of Dangerous Goods Program Activity
www.tc.gc.ca/eng/tdg/safety-menu.htm

Transportation in Canada 2010 (annual report)
http://www.tc.gc.ca/eng/policy/report-aca-anre2010-index-2700.htm

Transportation Innovation Program Activity
http://www.tc.gc.ca/eng/innovation-menu.htmw

Transportation Marketplace Frameworks Program Activity
www.tc.gc.ca/eng/innovation-gateways-and-corridors.htm

Transport Canada Program Activity Architecture
www.tc.gc.ca/eng/corporate-services/corporate.htm

Treasury Board of Canada Secretariat
http://www.tbs-sct.gc.ca/

VIA Rail Canada Inc.
http://www.viarail.ca/en/about-via-rail

Whole-of-Government Framework
www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx

## 4.2 ORGANIZATIONAL CONTACT INFORMATION

We welcome your comments on this report

Email: Questions@tc.gc.ca
Phone: 613-990-2309 Toll Free: 1-866-995-9737
Teletypewriter (TTY): 1-888-675-6863
Fax: 613-954-4731

Mailing Address:

Transport Canada (ADI)
330 Sparks Street
Ottawa, ON
K1A 0N5